



uPHONGOLO

MUNICIPALITY * MUNISIPALITEIT * U MASIPALA WASA

ANNUAL REPORT 2007/2008



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CHAPTER 1: INTRODUCTION AND OVERVIEW

MAYORAL FOREWORD



There is nothing as challenging as being part of leadership in a Local Government. Local Government is the sphere of government that is directly accountable for service delivery and closer to the local community. The challenges facing our Council among others are those related to the cash flow of a Municipality.

The cashflow of our Municipality is mainly funded by property rates, land sales and Government Grants. Over and above the fact that we are a small Local Municipality and have a very small rate base. The challenge of non payment compounds the problem of cashflow.

It is therefore always a big challenge to ensure that our communities receive basic service without a cashflow. Our Municipality however is thankful for the support it received from the farming communities and the business people in our town. This they do by creating job opportunities for our starving masses. Besides creating these job opportunities they also contribute unfailingly towards our rates base.

It is also important for me to recognize the support of both our District Municipality and the Provincial Government. If it were not for the support of these spheres of Government we would have closed our offices as the Municipality on account of cashflow.

I believe that our District Municipality with the limited funds they have, have excelled in delivering water and sanitation, although there is a very big room for improvement.

Our MIG Sections have excelled in delivering two tarred roads and Pongola storm water control channel. We are also hopeful that our rural access roads through the MIG in the 2009/2010 financial year will be upgraded.

Lastly I wish to call upon co-operation from all our stakeholders for the benefit of service delivery to our needy communities.

May I conclude by thanking our Manager and her team of HOD's for running a clean, uncorrupted Local Municipality despite the aforementioned challenges.

To our Executive Committee and Councillors at large, I wish to remind them that we were elected to be servants of the people. We must work even harder in 2009 to provide a better life to all our people.



CLLR B J MNCWANGO
HONOURABLE MAYOR

FOREWORD BY MUNICIPAL MANAGER:



Much of the South African Public Sector has been undergoing profound transformation of its internal functions, organization, management and broader purpose to enable it to focus on service delivery and performance. Although, to a large extent, the pressure for such change can be attributed to the political, economic and social situation in South Africa, the changes have been adopted and are increasingly driven from within the organizations and departments themselves. There is therefore within the municipality, the desire to begin the task of redefining their institutional existence and fundamental service delivery responsibilities within the context of accountability, cost-effectiveness, transparency and service provision.

Under the MIG umbrella, the total allocations and commitments for the 2007/2008 financial year was an allocation of R5 194 297.59, which was efficiently expended by the uPhongolo Local Municipality 100%. The involved projects were Upgrading of Road in Ncotshane – Mr Magwinsi Street, and Pongola Stormwater – Phase 1.

The success of delivery of infrastructure through the MIG Program is evident through the increase in funding allocations to the Municipality, where in 2008/2009, the amount increased to R8 639 million.

I am proud to highlight the fact that the Municipality also completed a Backlog study and Comprehensive Infrastructure Plan which was funded by Development Bank of Southern Africa.

Currently economic development is focused on the potential of the tourism sector in the Pongolapoort Dam Area, and a R800 000.00 grant was allocated by Department of Local Government and Traditional Affairs for the preparation of a DFA application to develop the special node where the investigation will focus on market stalls and a petrol filling station in Ward 1 – Gumbi Traditional Authority.

Another initiative is the development and implementation of an Integrated Marketing plan for the Lebombo Corridor Development comprising of the Pongolapoort Dam, uMkhanyakude and Isimangaliso Marketing (St Lucia Wetlands Park) to include the SDI and Lebombo Transfrontier Park, an amount of R1.1 million has been earmarked for this project.

Under the Shared Services of implementing the Property Rates Act and ensuring that the involved Municipalities are ready for said implementation by July 2009, the Councils of the 5 local Municipalities, including uPhongolo agreed to appoint a Project Manager. uPhongolo Municipality was in this regard also fortunate enough to receive a Grant of R500 000.00 from Department of Local Government and Traditional Affairs for the implementation of the MPRA.

As a way of promoting good governance, uPhongolo Municipality donated land to the Department of Public Works in order for a forensic mortuary to be built in Pongola.

To comply with the foundation laid by Cabinet pertaining to the founding of a System for Communication for Local Government, uPhongolo Local Municipality established a Communication forum on the 28th January 2008.

Pertaining to financial viability, I am proud to report, that for the second year running, uPhongolo Municipality received an unqualified with other matters audit opinion for the 2007/2008 financial year.

I would like to thank the Councillors, especially the Honourable Mayor and Speaker for their support and leadership, as well as my Heads of Department and Staff for their support. There have been difficult times, and many challenges, but the satisfaction lies in looking back and realizing that some of the challenges have been overcome and knowing that at that specific time, our best was done and looking forward into achieving more for our Community.

A handwritten signature in black ink, appearing to read 'F Jardim', with a stylized flourish at the end.

MRS F JARDIM
MUNICIPAL MANAGER

OVERVIEW OF THE MUNICIPALITY:

Pongola is a small town situated in northern KwaZulu-Natal Province, South Africa only 10 kilometres from the Swaziland border. Pongola has 50 km² of sugarcane and subtropical fruit plantations surrounding it. During the Depression years of the 1930's, drastic irrigation systems were started in Pongola. The town of Pongola thrived as a result of the canal system and a sugar mill that was built.

Considered as the jewel of KwaZulu Natal, uPhongolo or Pongola is now said to be "Right at the Heart of the Zulu Kingdom". Road access to the area is via the N2 from Gauteng and Natal and the Golela Border post from Swaziland – a major gateway to the area for foreign visitors travelling south from the Kruger Park. Distances from all major centers area: Johannesburg 420km, Durban 380km and 270km south of the southern gates of the Kruger National Park.

The Pongola area is host to many tourist attractions including Game Farms and Lodges, the Pongolapoort Dam, famed for tis Tiger Fishing and surrounding wildlife, cultural history and much more. The town of Pongola is wedged between the Swaziland border and the Phongolo River and has all the modern facilities, Supermarkets, Hospital, Small Airport, 9 hole Golf Course, Tennis and Bowls. The Phongolo River rises just east of Wakkerstroom and drains an area of nearly 8000 km² in a narrow gorge in the Lebombo Mountains to form the 2 492 million m³ Dam behind the 89m high wall. Phongolo is the Zulu word for trough because of the many deep pools with steep sides along its course.

Pongola, situated at foothills of the majestic of the Lebombo Mountains, is an area rich in Anglo and Zulu Boer War history. But soon the vast herds of game lured determined men, hunters and explorers. Hunters made considerable fortunes. One such hunter, "Elephant White" shot 15 elephant in one season. In the plentitude that was Africa, everything seemed inexhaustible until the "inexhaustible" game numbers began to dwindle. In 1874 this areas was proclaimed the Pongola Game Reserve by President Kruger and was the first ever reserve in Africa. Pongola has an unparalled selection of excellent game camps and lodges in which to spend the night. Arround Pongolapoort Dam there are 10 lodges in the Pongola Game Reserve which has four of the Big 5.



VISION:

uPhongolo Local Municipality will evolve into a dynamic socio economically driven environment through sustainable service delivery.



MISSION:

To ensure provision of sustainable service delivery in order to improve the quality of life of the communities within our area of jurisdiction.

**COUNCIL OF UPHONGOLO LOCAL MUNICIPALITY IS
WORKING TOGETHER TO CREATE A BETTER FUTURE FOR
OUR PEOPLE.**



**CLLR B J MNCWANGO
HONOURABLE MAYOR**



**CLLR S W VAN DER MERWE
HONOURABLE DEPUTY
MAYOR**



CLLR S V DLAMINI – HONOURABLE SPEAKER



**CLLR K E THABEDE
EXECUTIVE COMMITTEE**



**CLLR B MVELASE
EXECUTIVE COMMITTEE**



CLLR J P NGWENYA



CLLR J C THERON



CLLR A Z THABEDE



CLLR B C NHLABATHI



CLLR A S MAFULEKA



CLLR K J SHABANGU



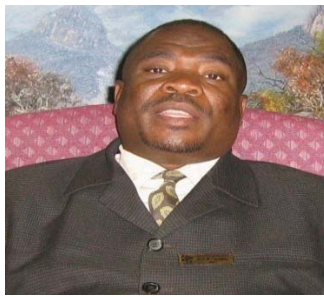
CLLR M B MAKHOBHA



CLLR M E DLAMINI



CLLR M G MATHABELA



CLLR M J DLAMINI



THE LATE – CLLR M B MAVIMBELA



CLLR M L SIBIYA



CLLR M M MNTUNGWA



CLLR N C MATHABELA



CLLR S V NKOSI



CLLR Z L NXUMALO



CLLR N P MAVUSO

VALUES OF THE UPHONGOLO LOCAL MUNICIPALITY

- Exercise rights and duties within the financial and administrative capacity of the Municipality
- Foster people's development by being orientated towards and responsive to the people's needs
- Develop a culture of participatory governance and contribute to building the capacity for such participation
- Exercise right and duties in a transparent and accountable fashion
- Effective and efficient administration

FINANCIAL VIABILITY

According to the financial viability study it shows that the financial position of uPhongolo Local Municipality is good and it has the ability to repay its debt in the medium to long terms.

**THE MANAGEMENT OF UPHONGOLO LOCAL MUNICIPALITY IS
WORKING TOGETHER AS A TEAM TO CREATE A BETTER FUTURE
FOR OUR PEOPLE AND STAFF**



MR G J CRONJE
PROJECT MANAGEMENT
UNIT MANAGER



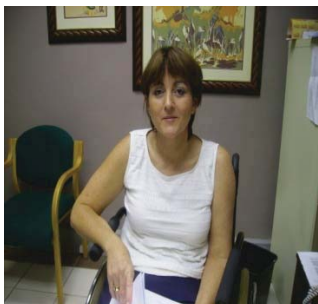
MRS A VAN EEDEN
MANAGER CORPORATE
SERVICES



MR E ENGELBRECHT
TOWN PLANNER



MR C DONNELLY
BUILDING INSPECTOR



MRS J C VAN TONDER
CHIEF FINANCIAL OFFICER



MR M E ZONDO
MANAGER COMMUNITY
SERVICES



MR K E SIMELANE
ASSISTANT MANAGER
PROTECTION SERVICES



MR H KOEN
COMPETENT PERSON



MR I K DLADLA
MANAGER TECHNICAL SERVICES



MR J J VILLET
OPERATIONS MANAGER



MR ISAK NEL
ELECTRICIAN ELECTRICITY

CHAPTER 2: COUNCIL'S PERFORMANCE MEASURED AGAINST THE FIVE (5) KEY PERFORMANCE AREAS (KPA)

KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

1.1 uPHONGOLO MUNICIPALITY – COMMUNICATIONS OFFICE

COMMUNICATION ANNUAL REPORT 2007/2008

It is very important that a communication approach is developed to strengthen and intensify communication and marketing of the uPhongolo Municipality. Positive image is being promoted through the implementation of the Communications strategies. Matters with regard to the community's participation are being encouraged and rights of the members of the local communities are being exercised.

Advertising can be effective when correctly located relative to the target audience. Advertising in the newsletter of a particular interest community can be highly effective if that is the target audience.

Transformation of the Public Service Delivery, notice 1459 of 1997, provides that citizens should be given full information about the public services they are entitled to receive. The Communications Office compile and distribute 5 000 copies of the External Newsletter (uPhongolo News) to the community. It also compiles an Internal Newsletter "Isibuko Sethu" for the Municipal Employees of which 250 copies of are produced on a monthly bases.

THE MAYORAL TALK/ MEDIA RELATIONS

The Community Radio is conceived as a relevant source for the Councils positive change. uPhongolo Municipal Area consist of eleven (11) Wards and in some cases, hundreds and hundreds of families are being reported in a disaster per season.

Talk shows to uKhozi FM and Maputaland Community Radio are organized for the community interactions. Our Citizens are being educated of our Municipality by transmission of clear messages and statements by using T/shirts, Banners, Flyers or Slots.

EVENTS AND PROMOTIONS

During 2008 Promotional Materials were purchased in order to speed up the promotion of the Municipality. The following Promotional Materials were purchased:

1. 4 Smart Roller Banners
2. 4 Flipper or Teardrop Banners
3. 2 Television Screens with building DVD Players
4. 1 Triga Banner Wall
5. HD Camera Recorder

Photographs of the Events are being taken for the press releases. Photos are also utilized for displays in the exhibitions shows.

The following events took place in Pongola

1. Praying against Crime
2. Exhibition show Crafters
3. HIV/AIDS Launch Day
4. LED Projects Launch
5. Projects ZDM
6. Youth Day Celebration
7. SASCE Music Awards Function



Praying against Crime Event



DTI Provincial Event

Articles are being compiled and appear on to the Local and Provincial Publications i.e. Zululand Observer, Ilanga Newspaper, Isolezwe, Mercury, Pongola News, ect. As a measure to ensure that the public interacts with the Councillors we have monthly meetings where Councillors and Community members discuss matters, where communities share their needs and concerns with the Councillors. This section also seeks and generates information for the Municipal Website on a regular basis and ensures that the information is kept updated.

The Communications Office promotes a positive image of the Municipality at all times. It facilitates a two-way communication process that enables the Municipality to talk to the citizens and the citizens to talk to the Municipality.

We have organised two (7) events for the Council and assisted with three (3) provincial events and two (2) district events. It provides the website with information on a constant basis and sees to it that the information is updated.

For the year under review, we released Ten (10) press statements that were sent to the Local News Paper. All Municipal functions and events are captured on digital camera and stored for future use. It also organizes information on critical issues that Council needs to disseminate to the community. As a measure to ensure that the public interact with the Councillors we have a monthly meeting where Councillors and community members discuss matters.



SASCE Music Awards Function

1.2 uPHONGOLO MUNICIPALITY – TOURISM

EVENTS

Boat Trips

uPhongolo game reserve is one of Pongola's unique tourist attractions and offers a lot of potential of eco friendly development. The Owner of Fish Eagle Safari Boat donated ten (10) Boat trips for local schools that are involved in Tourism. Normally these trips start at the beginning of May until to the end of July. The chief objective of these trips is to promote tourism within the communities of Pongola. Through this program our learners are fully aware that poaching of animals is against the law, littering all over is bad and above all we need to create a sustainable environment whereby the next generation will enjoy the same benefits of nature as we do today. The following schools participated in this year's program:

- Pongola Academy
- Pongola Intermediate
- Siqqamise High School
- Sozama High School
- Ntonga High School
- Magwegwana High School

The number of schools that have participated in Boat trips in 2008 has increased compared to previous years. All bookings are made via the Tourism Officer at the Municipal Offices. During these trips school learners are transported and provided with lunch for the day. It is important to note that all these boat cruises takes place within the Pongola Game Reserve.

Umbele Wethu

Umbele Wethu is an annual event that normally takes place during July; it is co-ordinated by Indonsa Arts and Culture Centre and Zululand Municipality. Its main objectives are to explore and develop talent in the Local Groups in Arts, Culture and Tourism in all wards. It is with great pleasure to report that uPhongolo Municipality has produced magnificent results by obtaining four first prize-winners, one second prize and two third prize winners. In the overall performance of the event, uPhongolo Municipality was first.

Tourism Mini Indaba

uPhongolo Municipality Tourism Section has embarked on a Tourism Mini Indaba whereby 10 schools are invited to compete. This event is inline with Tourism Indaba that takes place in Durban during May.

Inniriet Festival

The Inniriet Festival has taken place on the 28th –30th of August 2008 at Pongola Academy. This is an exhibition whereby Local Business people are given an opportunity to advertise and promote their respective products. Different entertainment groups and even the local school groups were invited to entertain the audience.

Tiger Fishing

Other events are synonymous with their destinations for example when you talk of Vodacom Durban July people think of Durban; this also applies to Tiger Fishing competition, which is synonymous to Pongola area or Pongolapoort Dam. On the 25th –27th of September 2008, we hosted the Tiger Fishing competition at Pongolapoort Dam and this is one of the greatest competitions to be staged in the area, with a very huge prize at stake. It has been noticed that the event is growing rapidly and has an ability to attract international tourists as in this year (2008) the first prize winner was from Swaziland.

“EXPLORE OUR AREA, IT’S AN EXPERIENCE”



Crafter of uPhongolo Area



uMbele Wethu



Tiger Fishing Competition – Pongolapoort Dam

1.3 uPHONGOLO MUNICIPALITY – MIG REPORT

Condition grant report format

Introduction

This report is a guideline to the outlook from uPhongolo Municipality, with reference to Infrastructure. Poverty eradication is still one of the biggest challenges facing our country. Within this context our municipality committed itself to summit on Sustainable Development, Millennium Targets to eradicate poverty as well as accelerating service delivery. The most important step we have taken towards addressing these targets within the uPhongolo Municipality is by means of the Municipal Infrastructure Grant (MIG) Programme.

The Strategic programme for MIG over the next 5 years, of uPhongolo Local Municipality was implemented in 2007/08 is aimed at providing the community within uPhongolo with at least a basic level of service by the year 2012 through the provision of grant finance to cover the capital cost of basic infrastructure for the poor. It is part of uPhongolo Municipality in line with government's overall strategy to eradicate poverty and to create conditions for local economic development. The strategic program will therefore maximize opportunities to create employment and develop enterprises. The MIG programme fits within the overall development framework of uPhongolo Municipality, which is built on three cornerstones: basic services, food security and HIV/AIDS. Whilst the MIG programme directly addresses basic services, it also contributes to the other elements since access to basic services improves opportunities for communities to live healthier lives and to be more productive.

Being one of the biggest capital grants, the MIG is guided by clear policy principles, objectives and conditions for use. It has a clear framework, which outlines roles and responsibilities, cross-sector linkages, programme management, and mechanisms toward ensuring transparency, accountability and sustainably. The Strategic plan had been developed to communicate information about the MIG programme in a user-friendly way. It also aimed to encourage the Municipality, other departments and key stakeholders to utilize the programme to proactively address the basic service and other development needs of our communities.

The MIG programme provides the framework, the resources and the means to realize one of our most pressing goals – the eradication of poverty. However, the successful implementation of the programme required people, skills, partnership, co-operative relationships and real commitment from all stakeholders.

The objectives of the evaluation are...

Answer:

Laid out as required by DPLG

Background

A. Overall description of the programme:

A.1 Programme history

Answer:

Programme history for the total allocations and commitments for the 2007/08 financial MIG years were as follows:

MIG year	Financial	Allocation	Commitment	Over/Under-commitment
2007/2008		R5,194,297.59	R11,346,507.14	R9,633,766.73

The cash flows of the different projects were spread over the period of two financial years namely, 2007/08 and 2008/09 in order not to spend more or less than the allocated amount per year.

A.2 Project/programme concept, design and plan

The Municipal Infrastructure Grant (MIG) is a new municipal infrastructure arrangement. It combines all existing capital grants for municipal infrastructure into a single consolidated grant.

A.3 Start date –

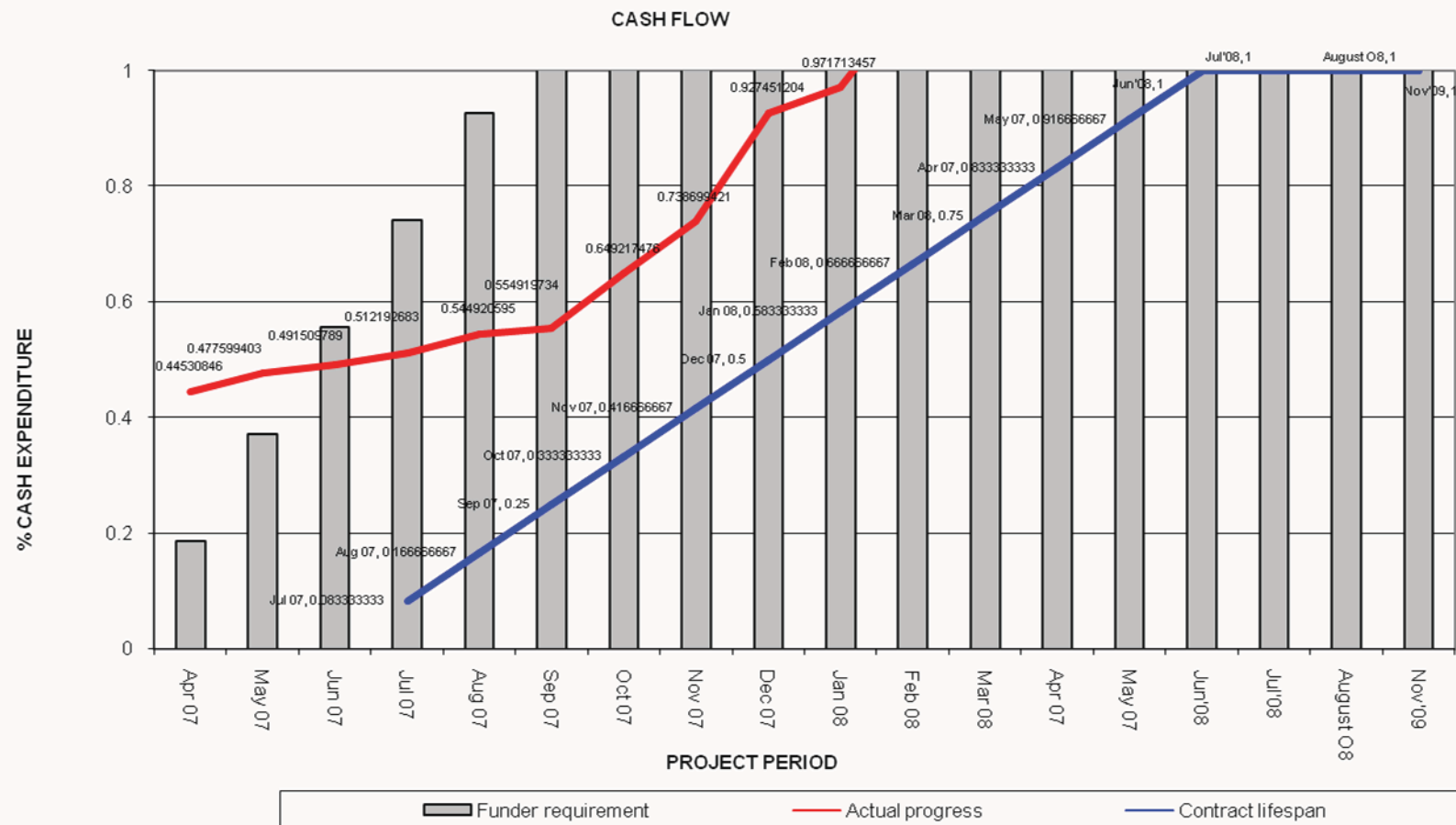
The program commenced in April 2006.

A.4 Amount allocated for the past three years

There were no rolled over funds for 2007/08. Although 2008/09 allocation were partially used to complete these projects.

The following MIG projects were committed for the 2007/08 and 2008/09 financial year.

Total project expenditure									
Project	Allocation	Month	Projected expenditure	Actual Expenditure	R Transferred	Value Project Balance	Project MIG Expenditure	Project Balance carry over to 2008/09 Financial Year	MIG Still to be spent
MIG PNG LCM	R 5,194,297.59	Apr'07	R 432,858.00	R 2,313,064.66	R 2,313,064.66	R 6,566,639.06	R 1,788,196.19	R 2,811,768.88	-R 84,274.71
MIG Commitments	R 8,879,703.72	May'07	R 432,858.00	R 167,728.77	R 167,728.77	R 6,398,910.29	R 167,728.77		
AFA	R 2,448,877.41	Jun'07	R 432,858.00	R 72,254.68	R 72,254.68	R 6,326,655.61	R 44,844.30		
CF	R 1,236,528.72	Jul'07	R 432,858.00	R 107,433.11	R 107,433.11	R 6,219,222.50	R 94,887.02		
Total Commitment	R 8,879,703.72	Aug'07	R 432,858.00	R 169,998.52	R 169,998.52	R 6,049,223.98	R 136,480.59		
Over Commitment	R 3,685,406.13	Sept'07	R 432,858.00	R 51,938.50	R 51,938.50	R 5,997,285.48	R 20,830.25		
		Oct'07	R 432,858.00	R 489,810.54	R 489,810.54	R 5,507,474.94	R 460,733.58		
		Nov'07	R 432,858.00	R 464,795.85	R 464,795.85	R 5,042,679.09	R 435,711.49		
		Dec'07	R 432,858.00	R 980,432.93	R 980,432.93	R 4,062,246.16	R 964,213.39		
		Jan'08	R 432,858.00	R 229,911.31	R 229,911.31	R 3,832,334.85	R 212,319.06		
		Feb'08	R 432,858.00	R 842,171.96	R 842,171.96	R 2,990,162.89	R 823,082.12		
		March'08	R 432,858.00	R 178,394.01	R 178,394.01	R 2,811,768.88	R 129,545.54		
		Total	R 5,194,296.00	R 6,067,934.84	R 6,067,934.84	R 2,811,768.88	R 5,278,572.30		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
		Total	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
	Retentions of 06/07	May'08	R 0.00	R 0.00	R 0.00	R 0.00	TOTAL	R 0.00	R 0.00
	Total Allocation	Total	R 5,194,296.00	R 6,067,934.84	R 6,067,934.84	R 2,811,768.88			



Under spending by the municipal departments

uPhongolo Municipality have no under spending for 2007/08. Due to the Following measurements that was put in place:

The PMU identifies, on an ongoing basis, based on monthly reports, any variances/regular/drastric under-expenditure. The following actions were being taken:

- Confirm the variances with the Financial Manager.
- Write to the Municipal Manager within 8 working days after the 10th of the month about the variances explaining the implications thereof and the problems experienced with under-expenditure.

- Copy the letter to the Financial Manager.
- Reflect the variances in the monthly Division of Revenue Report.
- Write a letter to Municipal Manager, by the 20th of the month, reflecting the actions taken (such as delaying or withholding of transfers) to address the under-expenditure.
- Submitted to Province reasons for under expenditure in DORA Report on a monthly basis.

Control measures for expenditures/transfers

The PMU transfers funds to Contractors/Consultants on a monthly drawdown basis.

The PMU will submit requests for draw downs to the Financial Manager on the 10th of the month where after the Financial Manager will:

- Assess the expenditure of the relevant Contractors and Consultants as well as the PMU against the transfers to projects.
- Inform the relevant stake holders within 8 working days after the 10th of the month about the variances, explaining the implications thereof and problems experienced with under expenditure.
- If the PMU did not spend the amount previously transferred, the amount still available on the books was subtracted from their request for drawdown. Should the situation persist and no expenditure occurred, transfer/payment was withheld until proof of expenditure and an amended payment schedule are received.

Delaying of payments

uPhongolo Municipality will recommend delaying of payments to Province of the Municipality should Contractors/Consultants or not comply with the regulations of the Division of Revenue Act and performance on projects.

Withholding of payments

The Financial Manager of the Municipality will withhold transfers if the PMU provides proof of non-compliance with the Division of Revenue Act and regulations of the municipality by contractor and consultants.

Managing MIG as a Programme

The MIG is a grant to uPhongolo Municipality and thus the management of the grant at municipal level occurs within the planning, budgeting, financial management and operational arrangement of uPhongolo Municipality. Effective management and utilization of capital funding was the responsibility of uPhongolo Municipality by means of the PMU.

The MIG programme is not simply a set of capital projects that can be dealt with on a project-by-project basis. It is a programme to expand the delivery of basic services to poor households and to alleviate poverty. This approach is reinforced in the Division of Revenue Act: "MIG will not fund specific projects, but is designed to complement the capital budgets of municipalities."

Within the MIG programme, there are planning and reporting requirements from both a programmatic and a project perspective. In addition there are important linkages between MIG programme processes and MIG project processes. For example, a MIG project cannot be registered unless it has been included in the three-year capital plan. The three-year capital plan cannot be prepared without referring to the MIG allocation in the Division of Revenue Act since this allocation defines the percentage of funds that the municipality can spend on different types of infrastructure (stormwater, roads and so on).

Operational and Maintenance Costs

The municipality budget makes provision for the ongoing operation and maintenance costs of the infrastructure. This is also a condition, MIG. This condition is designed to ensure that all infrastructures that are funded by MIG are sustainable in terms of the ongoing operating and maintenance costs. The operation and maintenance costs will either be covered by revenue collected from consumers, and/ or by equitable share.

MIG and Infrastructure Planning

Managing MIG is about managing infrastructure development for basic services. The starting point for any infrastructure development programme is planning. Integrated development planning is the starting point for all MIG projects.

The MIG and Integrated Development Planning;

Integrated development planning is a process through which uPhongolo Municipality prepared a strategic development plan for a five-year period. The IDP is a product of the integrated development planning process. The IDP is the principal strategic planning instrument, which guides and informs all planning, budgeting, management and decision-making in uPhongolo Municipality.

1.1.1 Defined communication structures within the department

It was critical to the success of the programme that there was the appropriate communication and liaison with the community in respect of project planning and implementation to ensure buy-in and long term sustainability of the projects in terms of the community understanding the need to pay for services as well as the development of community-based partnerships for the purposes of O&M as discussed above under the point project-based capacity building, which happened through the IDP process.

Community Liaison / Development:

1.1.2 Key challenges

- Primarily responsible to integrate, co-ordinate, project-manage and financially administer the MIG.
- Ensure project compliance with all applicable legislation, policies and conditions applicable to MIG.
- Project performance and cash flow reviews.
- Liaison with the Provincial and the Senior MIG Manager as well as other line function departments through formal regular evaluation / progress meetings and on an adhoc basis.
- Submission of monthly, quarterly, bi-annual, annual and ad hoc reports to DPLG as determined in applicable legislation or required by the MIG Management unit.
- Responsible for the management of the PMU team and their respective outputs

Part 2: Monitoring

2.1.1 How data is analysed and reported for implementation purposes

MIG and sector plans

Integrated development planning is an inter-sectoral planning process. Sector plans such as Water Services Development Plans (WSDPs), Integrated Transport Plans (ITPs) and Integrated Waste Management Plans feed into the IDP process, and IDP decisions feed into the sector plans. Sector plans need to provide technical input to the IDP process and

the IDP process needs to guide the identification of priorities and targets in sector plans. There is therefore an interactive process between the IDP and sector plans. Basic services projects identified in sector plans were integrated into the IDP in order to qualify for MIG funding.

The PMU Manager is responsible in conjunction with the Consulting Engineers for the contract.

2.1.2 Challenges met with the monitoring and reporting tasks

- Final compilation of monthly, quarterly, bi-annual and annual reports to the MIG Manager
- Monitor the consolidated cash flow performance reports on each project and on the regional programme collectively.
- The funds allocated for projects can only be used for capital investment and cannot be used to finance operating expenditure other than the prescribed percentage permitted for the operation of the project management unit.
- Verify and reconcile quarterly transfers from national to the Province and uPhongolo Local Municipalities.
- Compile all the financial reports (DORA).
- Audit compliance of all legal conditions, required from the different spheres of Government.
- Audit and administer the monthly claims and expenditure.



Ncotshane Storm Water

Part 3: The results and who benefited?

3.1 Outcomes and outputs set for 2007/08

uPhongolo Municipality managed to ensure that the local economic spin-offs through providing infrastructure was maximised. This includes employment creation. The Municipality supported the community development initiatives as part of achieving sustainable livelihood and poverty eradication. Economic research and studies was conducted in order to determine economic constraints and opportunities for further development via the IDP.

Decisions relating to the prioritisation of municipal infrastructure and service delivery spending, such as the identification, selection and approval of projects, are best undertaken at municipal level, with the following provisions:

- the operating finance and management arrangements was put in place in the 3 year Capital Plan;
- a degree of national and provincial influence over capital spending, expressed through clear norms, standards and spending conditions must be retained; and
- unintended consequences was limited: the grants that are allocated e.g. MIG
- Municipal Infrastructure Grants), did promote sound management practices, not the reverse.

3.1.1 Key MIG outcomes particular to uPhongolo Municipality

The MIG projects were approved by the National Department of Provincial and Local Government.

3.1.1.1 UPGRADING OF ROAD IN NCOTSHANE: MR MAGWINSI STREET R/KZ/1881/06/08 – 2007/03:

Scope of work;

- The construction of 1.6km cold asphalt surfaced road;
- The construction of 1.4km concrete lined sotrmwater canal; and
- Related site works

Construction cost;

The construction cost scheduled for certification in Payment Certificate No. 7 e.g. the Completion Certificate will be R2,969,481.89 (excl. VAT). This amount was completely provided for from MIG funding.

Engineering fees;

The engineering fees scheduled for certification in Professional Fee Account No. 7 will be R648,948.94 (excl. VAT).

Items requiring special attention:

The magnitude of this work provided to be extremely difficult for the contractor to implement within the timeframe allowed for. The Contractor was exposed to cashflow difficulties which affected his production rate severely.

Public Queries/Concerns:

It is expected that Mr Magwinsi Street will be closed for construction four (4) months longer than originally anticipated. Although no query has been received from the residents, it should be noted that the latter affected their access to their properties.



Mr Magwinsi Street, Ncotshane

Finance:

Total project expenditure									
Project	Allocation	Month	Projected expenditure	Expenditure	R Value Transferred	Balance	Project	Balance	Still to be spent
MIG Funds	R 2,351,044.80	Apr'07	R 0.00	R 0.00	R 0.00	R 4,125,011.15		R 763,163.86	R 763,163.86
AFA	R 1,773,966.35	May'07	R 326,563.00	R 94,007.82	R 94,007.82	R 4,031,003.33			
Total	R 4,125,011.15	Jun'07	R 0.00	R 0.00	R 0.00	R 4,031,003.33			
		Jul'07	R 326,563.00	R 0.00	R 0.00	R 4,031,003.33			
	R 3,918,760.59	Aug'07	R 0.00	R 76,893.81	R 76,893.81	R 3,954,109.52			
	R 326,563.38	Sep'07	R 0.00	R 0.00	R 0.00	R 3,954,109.52			
		Oct'07	R 326,568.00	R 301,057.77	R 301,057.77	R 3,653,051.75			
		Nov'07	R 326,563.00	R 149,857.56	R 149,857.56	R 3,503,194.19	TOTAL	R 763,163.86	
		Dec'07	R 326,563.00	R 564,178.57	R 564,178.57	R 2,939,015.62			
		Jan'08	R 326,563.00	R 110,749.34	R 110,749.34	R 2,828,266.28			
Completion of Construction Date 28 April'2008		Feb'08	R 326,563.00	R 317,576.76	R 317,576.76	R 2,510,689.52			R 763,163.86
		Mar'08	R 326,563.00	R 77,293.06	R 77,293.06	R 2,433,396.46			
		Total	R 2,612,509.00	R 1,691,614.69	R 1,691,614.69	R 2,433,396.46			
		Apr'08	R 326,563.00	R 786,230.47	R 786,230.47	R 1,647,165.99			
Extension of time Due to material Shortage end May'08		May'08	R 326,563.00	R 884,002.13	R 884,002.13	R 763,163.86			
		Jun'08	R 326,563.00	R 0.00	R 0.00	R 763,163.86			
Extension of time Due to material Shortage end Jul'08		Jul'08	R 326,563.00	R 0.00	R 0.00	R 763,163.86			
		Aug'08	R 326,563.00	R 0.00	R 0.00	R 763,163.86			
		Total	R 1,306,252.00	R 3,361,847.29	R 3,361,847.29	R 763,163.86			
	Retention	Nov'09	R 206,250.56	R 0.00	R 0.00	R 0.00			
	Total Allocation	Total	R 4,125,011.56	R 3,361,847.29	R 3,361,847.29	R 763,163.86			
TOTAL	R 3,361,847.29								

NEW ROADS IN NCOTSHANE - MR MAGWINSI STR

ALLOCATION APPROVED:

MIG REGISTERED VALUE	R 2,351,044.80
AFA	R 1,773,966.35
TOTAL DIRECT	R 3,385,209.36
EIA	R 79,800.00
RETENTION (5%)	R 148,474.05
DIRECT	R 3,236,735.31
INDIRECT (Tendered)	R 660,001.79
TOTAL MIG	<u>R 4,125,011.15</u>

MUNICIPAL:

COUNTERFUNDING	R 0.00
TOTAL DIRECT	R 0.00
RETENTION	R 0.00
DIRECT	R 0.00
INDIRECT (Tendered)	R 0.00
TOTAL CF	<u>R 0.00</u>

MIG REGISTERED:

REGISTERED	R 4,125,011.15
TOTAL DIRECT	R 3,385,209.36
EIA	R 79,800.00
RETENTION	R 148,474.05
DIRECT	R 3,236,735.31
INDIRECT	R 660,001.79
TOTAL	<u>R 4,125,011.15</u>

3.1.1.2 PONGOLA STORMWATER – PHASE 1 PROJECT 2007/02;

Scope of work;

- The construction of 2,000m stone-pitched sotrmwater channel;
- The installation of 45m of concrete culvert crossing the Impala Irrigation Canal; and
- Related site works

Construction cost;

The construction cost certified in Payment Certificate No. 8 e.g. the Completion Certificate was R1,841,665.36 (excl. VAT). This included the amount of R1,599,977.88 (excl. VAT) from

MIG funding and R241,687.48 (excl. VAT) from counter funding.

Engineering fees:

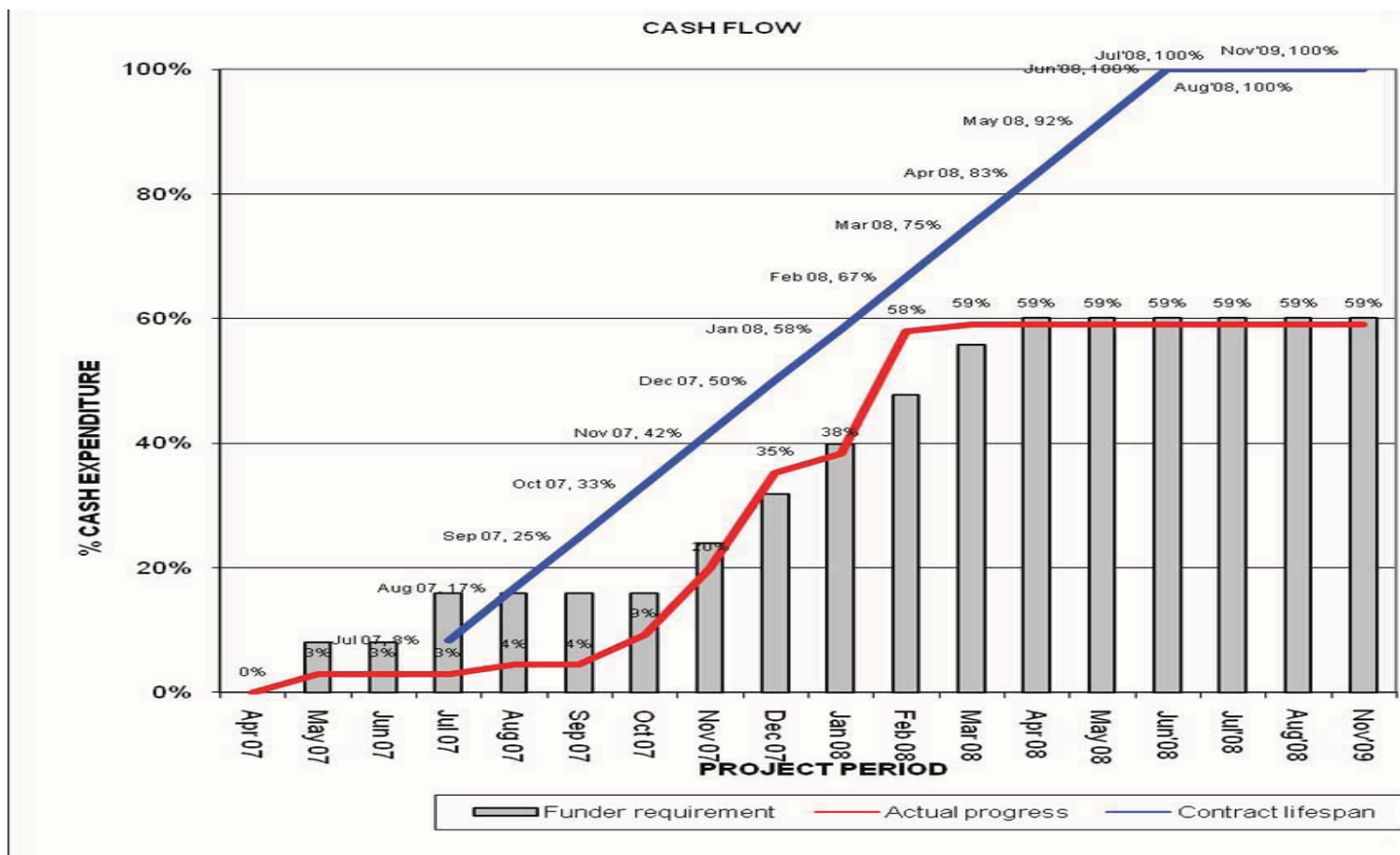
The engineering fees certified in Professional Fee Account No. 6 was R309,555.61 (excl. VAT).

Items requiring special attention;

The Contractor i.e. Messrs Impact Plus Plant Hire provided an excellent service in the implementation of this project and is recommended for future work.

Finance:

Total project expenditure									
Project	Allocation	Month	Projected expenditure	Expenditure	R Value Transferred	Balance	Project	Balance	Still to be spent
MIG Funds	R 1,567,500.00	Apr'07	R 0.00	R 0.00	R 0.00	R 2,446,922.28		R 2,446,922.28	R 86,628.82
AFA	R 603,898.56	May'07	R 194,863.00	R 73,720.95	R 73,720.95	R 2,373,201.33			
Total	R 2,171,398.56	Jun'07	R 0.00	R 0.00	R 0.00	R 2,373,201.33			
CF	R 275,523.72	Jul'07	R 194,863.00	R 0.00	R 0.00	R 2,373,201.33			
Grand Total	R 2,446,922.28	Aug'07	R 0.00	R 35,712.26	R 35,712.26	R 2,337,489.07			
		Sep'07	R 0.00	R 0.00	R 0.00	R 2,337,489.07			
		Oct'07	R 0.00	R 118,425.55	R 118,425.55	R 2,219,063.52			
		Nov'07	R 194,863.00	R 260,489.69	R 260,489.69	R 1,958,573.83	TOTAL	R 2,446,922.28	
		Dec'07	R 194,863.00	R 374,670.58	R 374,670.58	R 1,583,903.25			
		Jan'08	R 194,863.00	R 76,205.49	R 76,205.49	R 1,507,697.76			
		Feb'08	R 194,863.00	R 480,151.14	R 480,151.14	R 1,027,546.62			R 86,628.82
		Mar'08	R 194,863.00	R 26,888.16	R 26,888.16	R 1,000,658.46			
		Total	R 1,364,041.00	R 1,446,263.82	R 1,446,263.82	R 1,000,658.46			
		Apr'08	R 194,863.00	R 506,515.35	R 506,515.35	R 494,143.11			
Extension of time Due to Impala Back Hold end Jun'08		May'08	R 194,862.00	R 303,833.32	R 303,833.32	R 190,309.79			
		Jun'08	R 194,862.00	R 103,680.97	R 103,680.97	R 86,628.82			
		Jul'08	R 194,862.00	R 0.00	R 0.00	R 86,628.82			
		Aug'08	R 194,862.00	R 0.00	R 0.00	R 86,628.82			
		Total	R 974,311.00	R 914,029.64	R 914,029.64	R 86,628.82			
		Nov'09	R 108,569.93	R 0.00	R 0.00	R 0.00			
Retention		Total	R 2,446,921.93	R 2,360,293.46	R 2,360,293.46	R 86,628.82			
TOTAL	R 2,360,293.46								



MIG/KZN /0550/ST/07/08
PONGOLA STW PHASE 1

ALLOCATION APPROVED:

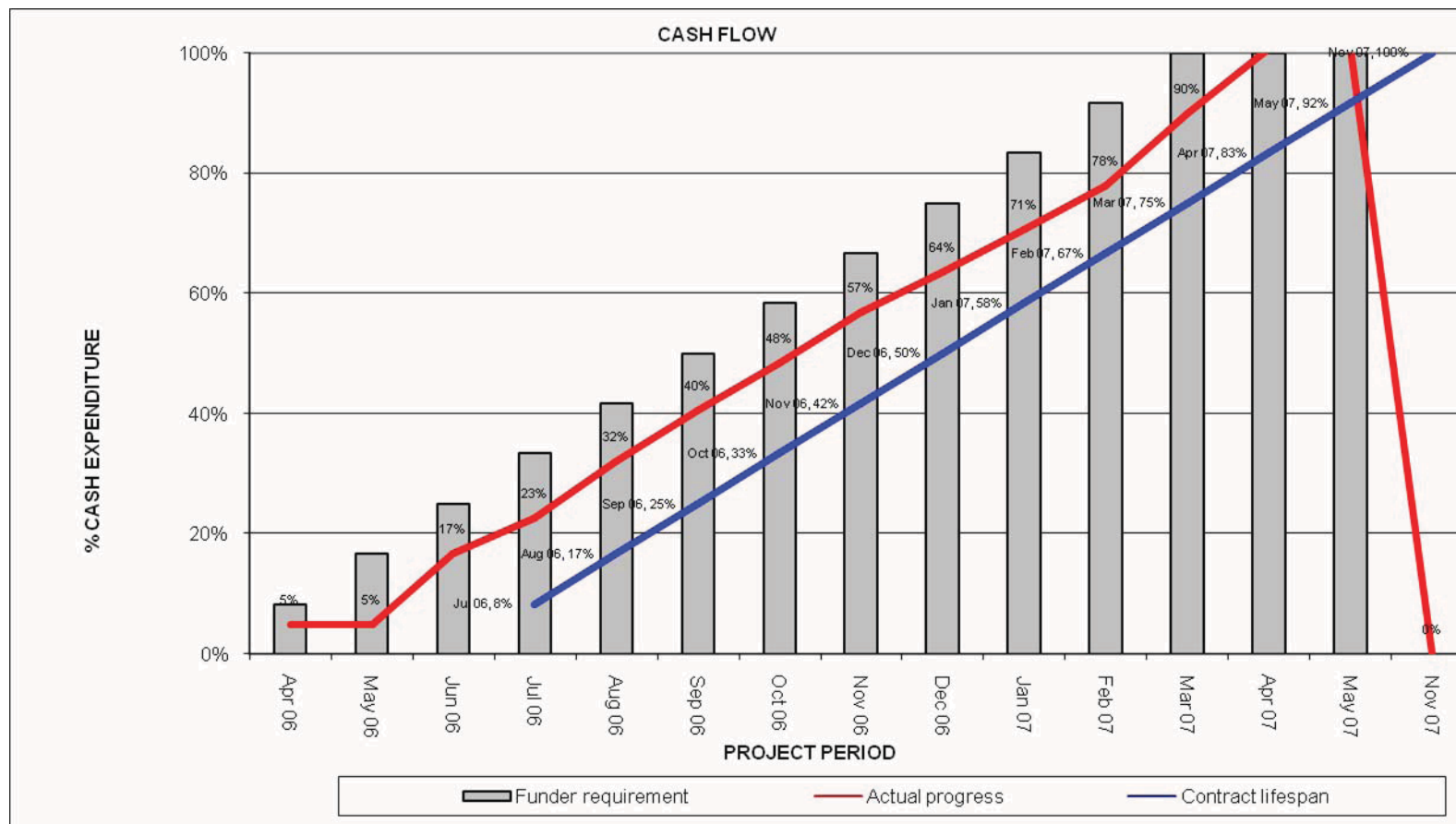
MUNICIPAL:

MIG REGISTERED VALUE	R1,567,500.00
AFA	R 603,898.56
TOTAL DIRECT	R1,823,974.79
RETENTION	R 86,638.80
DIRECT	R1,737,335.99
INDIRECT (Tendered)	R 347,423.77
TOTAL MIG	<u>R2,171,398.56</u>

COUNTERFUNDING	R275,523.72
TOTAL DIRECT	R275,523.72
RETENTION	R 0,00
DIRECT	R275,523.72
INDIRECT (Tendered)	R 0,00
TOTAL CF	<u>R275,523.72</u>

MIG REGISTERED:

REGISTERED	R2,446,922.28
TOTAL DIRECT	R2,099,498.51
RETENTION	R 86,638.80
DIRECT	R2,012,859.71
INDIRECT	R 347,423.77
<u>TOTAL</u>	<u>R2 466,922.28</u>



PMU**MIG PONGOLA 2007/08**

PAYMENT CERTIFICATE NO	DATE	COUNTER FUNDING	MIG/ AMOUNT
CONSULTANT			
67862	Apr-07	R 29,729.18	
37862	Jun-07		R 33,127.19
67866	Jun-07	R 27,410.38	R 11,717.11
81851	Jul-07	R 12,546.09	R 23,874.52
81852	Aug-07	R 33,517.93	R 23,874.52
81854	Sept-07	R 31,108.25	R 20,830.25
81856	Oct -07	R 29,076.96	R 19,470.16
81857	Nov -07	R 26,084.36	R 25,364.24
81858	Dec -07	R 16,219.54	R 25,364.24
81860	Jan -08	R 17,592.25	R 25,364.23
81861	Feb -08	R 19,089.84	R 25,364.23
81862	Mrt-08	R 48,848.48	R 25,364.31
TOTAL		R 291,223.26	R 259,715.00

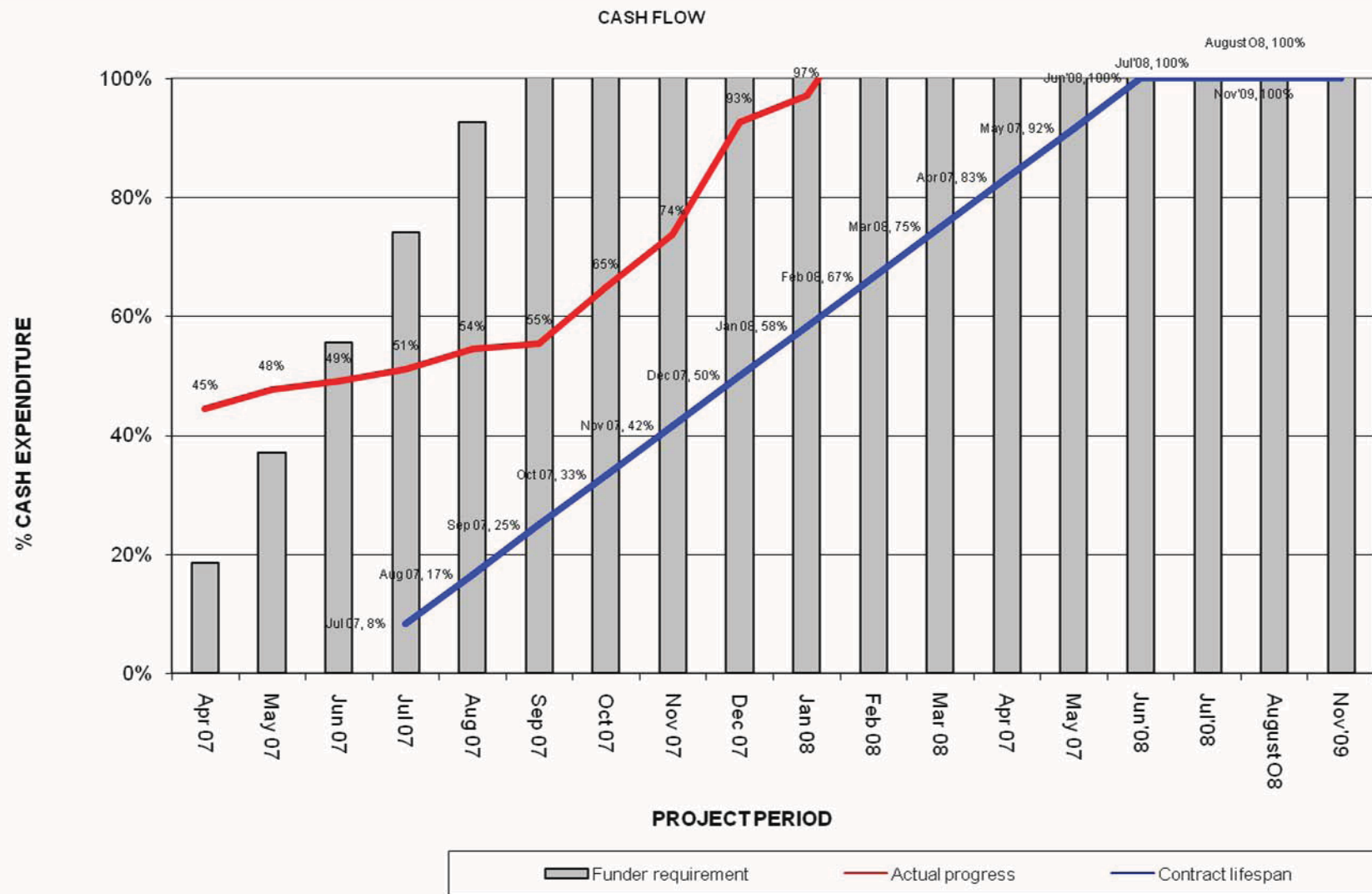
Finance:

The Municipality stayed within the budget for these projects as mentioned above. As it is indicated in the Graph hereunder, the trend was that in the first four months expenditure were low at 20%, but thereafter it took momentum in the next four months up to 60% and in the last four months of the financial year it went up to nearly 100% per project. The target on the allocation of R 4,662,426.00 was 100 % spending by the end of March 2007. The last payments for the projects were done in April 2007. The retention money will be released in Nov 2007.

uPhongolo Expenditure Pattern for 2007/08

MIG COMBINE CASHFLOW REPORT OF EXP 2007/08

Total project expenditure									
Project	Alocation	Month	Projected expenditure	Actual Expenditure	R Value Transferred	Project Balance	Project MIG Expenditure	Project Balance carry over to 2008/09 Financial Year	MIG Still to be spent
MIG PNG LCM	R 5,194,297.59	Apr'07	R 432,858.00	R 2,313,064.66	R 2,313,064.66	R 6,566,639.06	R 1,788,196.19	R 2,811,768.88	-R 84,274.71
MIG Commitments	R 8,879,703.72	May'07	R 432,858.00	R 167,728.77	R 167,728.77	R 6,398,910.29	R 167,728.77		
AFA	R 2,448,877.41	Jun'07	R 432,858.00	R 72,254.68	R 72,254.68	R 6,326,655.61	R 44,844.30		
CF	R 1,236,528.72	Jul'07	R 432,858.00	R 107,433.11	R 107,433.11	R 6,219,222.50	R 94,887.02		
Total Commitment	R 8,879,703.72	Aug'07	R 432,858.00	R 169,998.52	R 169,998.52	R 6,049,223.98	R 136,480.59		
Over Commitment	R 3,685,406.13	Sept'07	R 432,858.00	R 51,938.50	R 51,938.50	R 5,997,285.48	R 20,830.25		
		Oct'07	R 432,858.00	R 489,810.54	R 489,810.54	R 5,507,474.94	R 460,733.58		
		Nov'07	R 432,858.00	R 464,795.85	R 464,795.85	R 5,042,679.09	R 435,711.49		
		Dec'07	R 432,858.00	R 980,432.93	R 980,432.93	R 4,062,246.16	R 964,213.39		
		Jan'08	R 432,858.00	R 229,911.31	R 229,911.31	R 3,832,334.85	R 212,319.06		
		Feb'08	R 432,858.00	R 842,171.96	R 842,171.96	R 2,990,162.89	R 823,082.12		
		March'08	R 432,858.00	R 178,394.01	R 178,394.01	R 2,811,768.88	R 129,545.54		
		Total	R 5,194,296.00	R 6,067,934.84	R 6,067,934.84	R 2,811,768.88	R 5,278,572.30		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
			R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
		Total	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00		
	Retentions of 06/07	May'08	R 0.00	R 0.00	R 0.00	R 0.00	TOTAL	R 0.00	R 0.00
	Total Allocation	Total	R 5,194,296.00	R 6,067,934.84	R 6,067,934.84	R 2,811,768.88			



1.4 uPHONGOLO MUNICIPALITY – TECHNICAL DEPARTMENT

The full range of services offered by the Department includes the following:

INFRASTRUCTURE PLANNING AND DEVELOPMENT:

- * Town Planning and Development
- * Building Activities and Management
- * Geographical Information System.
- * Belgrade Community Management and Service Delivery.
- * Caravan Park
- * Cemetery Management
- * Municipal Land Management
- * Municipal Buildings
- * Municipal Offices
- * Parks and Gardens
- * Roads and Storm water
- * Technical Department Administrative Functions
- * Workshop and Fleet Management
- * Aerodrome
- * Landfill site and Refuse Management
- * Sewer - departmental
- * Electrical Network and Management
- * Water - departmental

Planning and Community Development Department

This Department is successfully introduced and consists of the following:

- Town Planning Manager
- Assistant to Town Planner
- GIS Officer
- Administrative Secretary

The function includes inter-alia the following:

IDP (Integrated Development Plan)
GIS (Geographical Information Systems)
Land reform
Sector Planning
Business Planning

IDP:

The first IDP was compiled during 1998 and it is reviewed on a yearly basis since 1998. The IDP was completed before Provincial deadlines and for the year, 2006 received various recommendations of the plan. An adequate module was developed and council prioritizes all IDP criteria and also prioritizes projects.

The following sector plans have been compiled:

Cemetery Master Plan
Waste Master Plan
Disaster Management Plan
Housing Sector Plan

The 2007/08 IDP was successfully completed, adopted by Council and approved by the Department of Local Government and Traditional Affairs.

The implementation of projects contained in the IDP is being implemented by Municipal staff under the supervision of the Heads of Departments.

The preparation phase for the 2008/2009 IDP is in progress and the Process Plan adopted by Council. The Process Plan was approved by the DLGTA. The format and focus of the IDP is being changed by the Department of Local Government and Traditional Affairs (DLGTA). This will impact on the process of preparation as well as having an impact on

the time and budget associated with the process. This information is not yet clear, as the process has not yet been tested.

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The support of the District Municipality (Zululand) is paramount to the process of IDP preparation. It was agreed that the ZDM would play a stronger part in the collation of information relating to the activities and programs of the Government Department.

The new format of the IDP requires focus on:

- Doing away with a seasonal approach and introducing a continuous engagement *method with stakeholders*;
- *Assessments need to be fact based and not document based*;
- A logical framework approach for development and planning needs to be adopted instead of a checklist approach;
- Strategic thinking and planning should be the focus point instead of assessing existing operational elements;
- The reviewed IDP should be based on the Annual Municipal Performance Report in order to promote development. Where assessment gaps have been identified, they must be afforded all necessary remedial processes.

The proposed changes necessitate the involvement of Management as a unit.

TOWN PLANNING

Currently the Town Planning Ordinance needs to be amended and the functions will be managed under the legislation of Natal and related Legislation. It can be mentioned that uPhongolo Municipality registered the Town Planning Scheme during 1988.

STATUTORY PLANNING

Statutory planning for the uPhongolo municipal area is proceeding within the legal framework of the Transvaal Town Planning and Townships Ordinance, 1986. Changes to the Town Planning Ordinance for Natal were advertised and it is anticipated that the adoption and implementation of the Act will commence by mid 2008.

LAND USE MANAGEMENT AND GEOGRAPHICAL INFORMATION SYSTEM (GIS):

The Land Use Management Plan is ready for public inspection and comments as soon as the mapping (GIS) has been completed. After the public consultation process, the proposals will be brought to Council for approval and advertising. The DLGTA's legal section will assist with the drafting of the advertisements in terms of the Transvaal as well as the current Natal Ordinance.

The integration of all Municipal information through the GIS is still to be undertaken. A business plan was compiled after an assessment of the functionality of the municipality's GIS. The implementation of the 3-year plan submitted to LGTA for funding will be an immense tool to the municipality to execute its legal obligation to tax all land in its area of jurisdiction. GIS is further more a tool to administrate information necessary for planning. The GIS will result in integrated management of information throughout the various departments of the municipality. The capturing of data (including financial information pertaining to each land parcel) on the GIS will centralize information and make this information more readily available to the public and save valuable time for officials currently searching for requested data. A grant of R100 000 was verbally approved by LGTA for training.

Land use control within the Town Planning Scheme area:

Land use control within the Scheme boundaries (the proclaimed Pongola town) is being conducted by means of Council's special consent, rezoning, township establishment, subdivision and consolidation processes and building control through plan submission.

The following number of applications per type were received and processed successfully:

1. Special Consents: 3
2. Rezoning Applications: 10
3. Township Establishments: 4
4. Building Plans: 66
5. Subdivisions: 6
6. Consolidations: 1
7. Permission To Occupy certificates for comment: 28
8. Clearance certificates and land transfers: 96

Land Use Control outside the Town Planning Scheme area

1. DFA: The best mechanism of control in this area of land use is the Development Facilitation Act (DFA). Miss L Ngidi was appointed as the Designated Officer (DO) in terms of the DFA and therefore responsible for the implementation of an assessment of applications of this nature.

The DLGTA indicated that the training of the DO would take place once applications are received by the Municipality. It is however expected of the DO to identify land use not complying with the Act and to notify the landowners to submit applications.

2. Belgrade settlement: The Belgrade settlement area is on Ingonyama Trust managed land and needs to be formalized. The DFA process was proposed and accepted

as the route. The financial implications of the application have hindered the formalization. LGTA was notified and undertook to propose a Provincial solution to all similar cases.

3. Golela Border Post: the formalization of the Golela Border Post including the settlement area is in progress. The Department of Works has undertaken the layout of the town including the Border Post and its associated land uses. The layout was approved by Council. On approval of the extension of the residential area to include a section of Ezemvelo land, the formalization can be concluded in terms of the Natal Town Planning Ordinance.



Golela Border Post

Other Developments Initiated:

- Extension 7 – the planning of the area is underway taking into consideration the numerous applications for land received from various Government Departments.
- Sodwana Corridor and CBD – the upgrading of this area runs in tandem with the upgrade of Extension 7. This initiative includes the removal of container trade from the formal area

and accommodating informal traders in a designated area designed and serviced for this purpose.

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- Business sites in Extension 4 – the provision of water and sewer to the area by ZDM is delaying the sale of business property. ZDM indicated that the implementation of services could take place in the 2009 – 2010 financial years. A hold will thus have to be placed on the sale of these sites.
- Lot 219 for residential development – the sale of these sites on public auction can be concluded during 2008 on approval from the MEC.
- Gumbi Land Reform Project – ZDM and the Municipality is working closely in order to accommodate the Gumbi tribal authority in providing services to the existing settlement (Candover) and planning the 3 additional settlement areas. The Department of Housing will be approached for financial assistance.

POLICY

- Informal Traders Policy – this policy has not yet been finalized and adopted. The issue of container trade needs to be clarified within this policy.
- Land Disposal Policy – Council adopted a policy in this regard and the policy is being used for the sale of land.

ECONOMIC DEVELOPMENT

The most important regional development initiative is the Pongolapoort Dam development being managed in terms of the Local Development Plan (LDP) initiated by the Department of Economic Affairs and Tourism.

The Municipality is directly involved in the implementation and all projects of the LDP are contained

in the IDP 2007/08. The appointment of the Project Facilitator and the Project Manager by the Inter Municipal Forum (IMUF) has been concluded successfully. The branding of the dam is the next crucial step in order to market uPhongolo Municipal area as a destination and ultimately the economic development of the area and the associated benefits to the people.

STAFF AND CAPACITY

The Planning and Development section consists of 2 planners, a GIS official and the building inspector.

The building inspector's position is a 4-day a month contract post. It was agreed within the technical department that a junior person needs to be employed and trained in order to have a full time staff member available to conduct site visits in order to eliminate unauthorized building and land use activities.

The two planner posts are also contract posts of a 1-year period each.

The GIS position is a full time position.

ZULULAND DISTRICT MUNICIPALITY

Liaison with the Zululand District Municipality re planning and development is taking place. Specific reference is being made with regards to the IDP process, planning and new layouts, building plans as well as service delivery (water and sewer).

It was agreed that staff meets on a monthly basis. Unfortunately, these meetings have been irregular and ZDM's attention needs to be drawn to the necessity of the meetings.



Virginity Celebrations

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Aerial Photo of Pongola

GIS

The main focus of the GIS unit is to offer information sharing in the form of maps and plans.

The focus of the achievement with the unit over the past five years was:

- * Setting up and maintained a data base
- * Appointment of a full time GIS Officer
- * Designing of a Web based System
- * Developing a tool for the capture and maintenance of data information
- * Developing of a web GIS mapping
- * Initiating the development of electrical network plan
- * The GIS forum has been formed to ensure the accurate and current GIS data development.

PIMMS

The Planning and Implementation Management Support System is developed for the Municipality. The Municipality together with Zululand District Municipality oversees the function.

Achievements:

Core functions of the achievements include:

- * Facilitations of workshops
- * Skills Development in the IDP
- * Support of the IDP Process
- * Building of relationships
- * Provided of inputs

System Development:

Systems development and process management have been a key focus area for uPhongolo. Since its establishment, the uPhongolo Municipality through the Technical Service Department and of systems and methodologies to assist in ensuring the service delivery is carried out efficiently and according to plan. These initiatives are given below.

Establishment of Geographical Information System Unit

Installation of permanent Internet Link

Development of the Settlements data set

Development of Map Viewer

Development of the meta-data management tool

Development of web based GIS

Local Economic Development:

The strategy for future economic development is to ensure economic development and to involve various government departments, private sectors, communities and individuals.

The achievement is even more sufficient and the following projects were successfully completed:

- Hawkers stalls
- Ward upliftment

- Arts and Crafts
- Pongolapoort Dam Development

Building Inspectorate:

This department is successfully introduced and consists of the following:

- Building Inspector
- Law Enforcement Assistance
- Admin secretary

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The Building Inspectorate is performed on the shared service and successfully managed according to National Buildings Regulations. Water Service Authority

Zululand District Municipality took over the function since 1 July 2006 and all related information was obtained from uPhongolo Municipality as required.

It can be mentioned that raw water is purchased from Impala Water Users Association, which is extracted from Pongola River and a raw water canal system.

Technical Administration and related functions

This sub department functions very well. All incoming mail is replied to on a regular basis and the community is served on a professional basis.

Solid Waste:

The refuse management includes the solid waste disposal, maintenance of landfill site, street cleaning, garden refuse removal and recycling.

A Solid Waste Master Plan was completed during 1998 and identified the following:

Population

Waste Generation

Method of collection

Method of disposal

Disposal sites

Level of service

The following areas are included in the master plan

Belgrade	Itshelejuba
Magudu	Pongola
Ncotshane	Golela
Ngotshe – Area	Simdlangentsha Area

The need was identified to investigate the feasibility of the establishment of regional solid waste sites. This study was initiated, and will confirm whether it is feasible to establish a regional site whereafter the site will be located, planned and implemented. The GIS has played a major role in the establishment of the plan.

An indigent relief system exists which is utilized for the poorer of the community.



Roads and Storm water:

The Technical Department performs and undertakes the following maintenance and upgrading:

The maintenance of gravel roads – 42000m²

The construction of gravel roads – 34km

The construction of sidewalks – 300m²

Maintenance and construction of stormwater – 16km of open V-drains, 26 intersections stormwater course ways

Maintenance of parking areas – 8 Areas

Repair and Maintenance of tar roads – 48km



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Maintain and erect fences:

- Airstrip: 3.7km
- Ncotshane Cemetery: 1.8km

Municipal Landing Strip:

A tar landing strip of 1,2km was constructed during 1983 and is maintained annually.

Pongola (FAPL)

Licence Number: 597 (Originally issued 1982)

Reference Coordinates: 272139S 313620E

Category 1 – Public

Situated:

27° 23' S 31° 31' O

1km from Pongola Town



Belgrade Community:

Service for Belgrade community is rendered from Pongola, and the following can be emphasized

- Roads – Grading of roads: 74km
- Internal Water network to the cemetery and sporting facilities
- Prepaid electrical network maintained by Eskom
- Community clusters: Building Repairs departmentally
- Street Lighting maintenance by Eskom

Pongola Caravan Park:

This facility consists of the following:

- 100 caravan sites (64 Electrified)
- 10 chalets
- A kiosk
- Swimming pool
- Mini golf
- Proper Ablution Block

This facility has been successfully privatized since 2000.



Oasis Caravan Park Pongola

Cemetery:

The Technical department manages cemeteries that are situated in the following areas:

- Belgrade
- Magudu
- Ncotshane
- Pongola

A master management plan was approved and adopted during 2003.



Pongola Cemetery

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Municipal Land:

uPhongolo Municipality possesses farmland, which is known as portion 383 and 435, and is presently leased to a farmer.

Municipal Buildings and Offices:

The Municipal Buildings and Offices are maintained regularly. In Belgrade and Ncotshane, a satellite office serves the community.

The Main admin office is situated in Pongola where all activities are coordinated and maintained.

Parks and Gardens Maintenance:

Open spaces is properly maintained which is both beneficial to the community and assists towards crime prevention. The maintenance is partially privatized which is solely based on Job Creation and poverty alleviation.

Workshop and Fleet Management:

The Technical Department maintains their own fleet. It can also be mentioned that a proper asset register exists for all fleet equipment etc.

Electrical Network and Management:

uPhongolo Municipality purchases bulk electricity from Eskom and distributes electricity to the community of uPhongolo. The licence

received from NER was approved in 1998 and it is presently still approved. The department is semi-privatized and functions very well, and can proudly announce that only 6.92% distribution loss exists, this is as a result of line losses.

Free basic electricity for households in Ncotshane is allocated to 2000 houses currently.

Fire gel and equipment with a value of R 934 458.00 was distributed to the communities, who have no access to electricity at all.

Eskom provides an electrical prepaid system for the Greater uPhongolo Municipality.

Job creation:

The vision of the uPhongolo Municipality is uplifting the standards of the community; therefore, job creation projects was successfully introduced and is related to the following:

- Paving of Residential Road, Pongola: 1.2km
- Paving of Road Reserves in Business areas: 1.2km
- V-Drain pitch stone open stormwater construction
- Maintenance programmes for buildings, open spaces and cemeteries
- Pothole repairs for tar roads: 34km

Technical Programs:

For the financial year 2007/2008, the Municipality successfully completed the following capital projects:

Several kilometers gravel roads
Several kilometers paved
Several kilometers tar roads
Building of raw water pipeline to Community Gardens
Extension of open v-drain stormwater network
Extension of Electrical Network – Ext 4 Residential sites
Various Ward Upliftment Programs

To conclude, I wish to thank the support from all the officials as well as the external technical support group, the consulting engineers which is utilized from time to time, other departmentally heads and The Municipal Manger for the success of the Technical Department. A word of thanks to the Council, was contributes to the success of the implementation of the decision making.

1.5 uPHONGOLO MUNICIPALITY – INFORMATION TECHNOLOGY:

The use of information technology helps Council to provide better service delivery to its customers. The Section information Technology provides a supporting role to various departments as an enabler of information technology.

The IT Section operates in conjunction with the Manager Corporate Services, the Service Provider and MANCO Committee. The main role is to co-ordinate Council's IT Strategy by developing and adopting IT resolutions and to ensure that it is implemented.

During 2007/2008 Council's computers have been upgraded along with the installation of new servers, fire wall and upgrading the network connecting 50 computers to the server. ADSL line installed connectivity at 512 kb per second throughout the network giving access to the council's systems from any connected office.

A wireless network was installed linking the Ncotshane and Traffic Offices to the Head Office. Computers, printers and peripherals were upgraded

1.6 uPHONGOLO MUNICIPALITY – COMMUNITY FACILITIES AND LIBRARIES:

The uPhongolo Local Municipality has seven Community Halls, 2 Sports Grounds and 10 Kick Abouts, 4 Parks and 114 Schools within the Municipal area. The Community hall and sports fields are rented out to members of the public. Hiring tariffs were adjusted to make it

affordable for sport, arts and cultural groups to make use of the facilities. Two of the Community Halls are managed by the Municipality and the other 5 is managed by the Amakhosi.

The uPhongolo Local Municipality manages 2 Libraries, the Ncotshane and Pongola Library. Material is supplied by the Provincial Library Services in Newcastle. Promotion material is also provided by the Provincial Library Services as special events are highlighted during the year, i.e. Library week, Literacy month, etc.

The Libraries consist of the following:

Pongola Library:

Members:	
Adult	1 018
Children	300
Material circulated	112 069 items

Ncotshane Library:

Adult members	913
Children	372
Juvenile members	321
Material circulated	67 482 items

The two libraries work hand in hand providing assistance to local schools as well as a quiet place for students to study and do research on school projects.

The Ncotshane Library assists students with Career Counselling, and exits various exhibitions during the year, i.e. Woman's day, Youth day, Cancer week



Students in the Ncotshane Library

PAUPER BURIALS

The Community Liaison Office is responsible for pauper burial assistance. This programme was designed to assist the poor of the poorest community members.

The applicants are identified by the Ward Councilors, who then refers them to the Community Liaison Officer with all supporting documents.

The required documents are:

Identity documents for the deceased and the applicant,

BI 1663 form,

Burial order form,

A death certificate as well as an affidavit from the police station confirming unemployment.

The total amount that was used to assist in pauper burials for the financial year 2007/2008 was R95 411.55.

The total number of deceased was 271. The amounts per funeral parlour is as follows:

HAWKER STALLS

The hawker stalls in Pongola were developed years back to assist hawkers with the selling and safe keeping of their goods. The required amount per month for rent is R 43,00.

DISASTER MANAGEMENT:

During 2007/2008 uPhongolo Municipality attended to various types of disasters as listed below within the 11 Wards.

uPhongolo give assistance by way of handing out tents, blankets and food parcels to the affected communities. Where needed building material was provided by handing out poles, corrugated iron, plastic sheeting and cement to assist the community after a disaster.

STATISTICS OF DISASTERS FOR THE PERIOD JULY 2007 TO JUNE 2008:

TYPE OF DISASTER	WARDS AFFECTED	NUMBER OF HOUSEHOLDS
Hail and Thunderstorm	Ward 1	64
Burnt houses	Ward 1, 4,7,3, 6,9	16
Forest fires	3,6,8,7,4	101
Wind Disaster	1	64
TOTAL		245

uPhongolo Municipal Council has adopted and implemented a Disaster Management Framework and a Disaster Plan.

Zululand District Municipality co-ordinates and manages the disaster function in conjunction with the 5 Local Municipalities within their area. The Municipality also assists the neighbouring Local Municipalities with Disaster Machinery and personnel during times of a disaster.



Disaster within the uPhongolo Municipal area

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1.7 uPHONGOLO MUNICIPALITY – COMMUNITY SERVICES, TRAFFIC AND LICENCING:

The Traffic Department consists of 6 Sections, Traffic control, Licensing, Testing of vehicles, testing of drivers, administration and registering authority.

The Speed control team is hard at working in managing the reduction of speed and the occurrence of fatal accidents in our jurisdiction. This section has an excellent working relationship with the SAPS and the Provincial Traffic Department. During the year numerous law enforcement operations took place with a good amount of success. These successes also helped to ensure that order is maintained on our roads and that citizens abide by the road traffic rules and regulations.

The Traffic section is responsible for all the road signs and road markings in our town.

Traffic fines are captured, documented and monies with regard to all traffic fines and other Council collections are presented to Court on

the particular court days. Vehicles are registered and licensed on a daily basis and the testing of motor vehicles for roadworthiness and testing applicants for learner's and driver's licences are done on a daily basis. During 2007/2008 a need was identified for more learners' licence classes.

	STATISTICS	AMOUNT
Motor licence fees retained by Council		R 373 906.40
Applications for PDP's	1014	R 135 095.00
Presentation Drivers Licence	2 931	R 534 884.00
Application Roadworthiness Cert.	1 197	R 95 591.00
Issue of Roadworthy Certificate	982	R 80 398.00
Application COF	422	R 105 550.00
Application Drivers Licence	1 691	R 339 103.00
Application Learners	1 600	R 13 756.00
Application for Instructors Certificate	2	R 462.00
Issue of Instructor Certificate	10	R 598.00
Information or Duplicate documents	25	R 1 396.00
Issue of Learners	658	R 28 365.00
Hawkers Licence	109	R 1 050.00
Trade Licence	9	R 2 250.00
Surplus		R 130.00
Total Revenue Collected		R1 712 535.30

- 1 Traffic Officers went on a Vehicle Examiners Course
- 2 Officials went for Customer Services Training

The Traffic Officers attended to 42 accidents

The Traffic Officers did 42 Escorts.



uPhongolo Traffic Officers

YOUTH

The Department of Community Services has youth affairs. Youth Council was re-elected in May 2008. All eleven Wards are represented in the structure consisting of 11 members. The Youth Council in close partnership with the department of community services is responsible for youth outreach initiatives. This initiative includes Mayoral Cup preparations. They are part of Aids Council, Human Rights Forum, Sports Council and Moral Regeneration. They were responsible for organizing the Commemoration of the 32nd anniversary of the June 16 youth upsprings for the district i.e. Zululand District Municipality. The event was held at Endalini in ward 4 (Godlwayo). Approximately 5000 youth attended that event. The Honourable District Mayor Cllr V.Z Magwaza- Msibi was a guest speaker at the event.

Youth Council has begun reviving the youth ward committees in all the wards. An Action Plan is in place. They attended International Youth Crime Prevention Summit in April in Durban.

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GENDER

The Department of Community Services has successfully established the Gender Forum which comprises of 11 members represented from the various wards. They attended one Gender Based Violence workshop. They are busy trying to compile their business plan.

HIV/AIDS PROGRAM

The Community Services Department is responsible for the facilitation and administration of the uPhongolo HIV/AIDS Forum which is known as Local Aids Council within uPhongolo Municipality. The Local Aids Council was formally established and launched on 28 March 2008. The Municipal Mayor of uPhongolo, Cllr B.J Mncwango is the chairperson of uPhongolo Aids Council. Awareness Campaign focusing on HIV/AIDS and TB took place in June 2008 at Ntshiyangibone Primary School. The AIDS Council consists of various Government Departments, CBO'S, NGO 'S, vulnerable groups, religious groups, business people, PLWH, traditional leaders, traditional healers, Councilors and other concerned people. They visited local schools for motivation and warning against HIV/AIDS to our youth in schools.



HIV/AIDS EVENT

THUSONG SERVICE CENTRE

The Multipurpose Community Centre is situated in Belgrade at Ward 5 and forms part of Community Services department. This centre forms part of the second generation process whereby these multifunctional one stop centres are built to fast track service delivery in formerly disadvantaged communities.

This centre is almost 65% done. After the completion, it will create more job opportunities. The following Departments are intended to use the centre namely: Department of Home Affairs, Social Development, Labour, GCIS, DLGTA (CDW), LED, SAPS and Telecentre. We are looking forward to officially opening the centre during November.



Thusong Service Centre in progress at Belgrade

SPORTS AND RECREATION

UPhongolo Municipality together with the Department of Community Services organized Ward Tournaments in different sport codes, whereby the tournament prepares for selection of players to play at District level. This is done to develop youth talent to engage them in sporting activities.

The Zululand District Municipalities participated and competed with one another and is where the District squads from all participating codes are selected. The Zululand District games were organized at Vryheid during October 2007.

In the year 2007/2008 UPhongolo Municipality at the District Mayoral Cup won 8 Trophies and 8 number 1 positions in the following codes:

-Cricket	1	Boxing	1
-Volleyball	1	Soccer female	1
-Rugby	1	Table Tennis	1
-Netball female	1	-Netball male	1

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We did well in almost all codes and we were also awarded the smartest dressed Municipality in the District. UPhongolo Municipality supports KWANALOGA GAMES and 65 players have been selected from UPhongolo to represent Zululand District in KWANALOGA Games held at Port Shepstone in December 2007.

Inter Municipal sport day for officials was held at Ulundi stadium whereby various Municipalities and Government Departments participated.

UPhongolo Municipality assisted their officials to participate there in the tournament. The games were conducted to create a spirit of unity among Government Departments.

UPhongolo Municipality also transported Celtic F.C to play Offs at Ulundi - Benfica F.C has been sponsored with R2, 500, 00 for affiliation at SAB Level. This is done to support team's development in almost all codes as far as they are concerned.

UPhongolo Municipality Boxing Squad was transported to Jozini to participate in the tournament for their own development to prepare for KWANALOGA Games.

UPhongolo Municipality has sponsored SAFA Awards by providing catering and decoration at their closing function in June 2008 at Ncotshane Community Hall for teams that performed exceptionally well, were promoted to the next level from Domestic to Super League and finally SAB



Trophies won and Soccer team members

1.8 uPHONGOLO MUNICIPALITY – HOUSING:

The provision of Housing is funded by the Provincial Department of Housing and the Municipality provides Land where there is needed. At the moment we have 1100 houses that are being built (Ncotshane Housing Project) and we have another 4 Projects that are at the Planning stage, which will be about 2000 Houses at 500 Houses per Project.

The houses consist of 2 bedrooms; a kitchen and a bathroom on a floor area of 40.15 square meters,

The estimated backlog is 2 850 Houses at a total value of R111 150 000, and the total number of Planned Projects according to the IDP is five Projects, some of the Projects are at a planning stage and estimated amount is R12 million.

- ❖ The number of people living in brick houses is 46 000
- ❖ The number of people living in traditional dwelling is 70 000

❖ Number of people living in informal dwelling = 92 000

The backlog on Housing can be addressed if the Land for development can be made available however the Municipality is doing its best to ensure that the Housing backlog is addressed.

The 1100 houses that we have embarked on will be able to accommodate \pm 1100 families. Due to the delay of the Project, 850 houses are still not built.

The function of the housing department is to provide the disadvantaged communities with safe and affordable housing. An important aspect is the involvement of the Community in identifying projects.

A Housing Sector Plan has been developed and will be workshopped with the Councillors. This plan will pave way for the Proposed Projects. The developed Housing Sector Plan will be a tool to all projects as the Department of Housing will make it a precondition for any Housing Project to be undertaken.

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KPA 2: LOCAL ECONOMIC DEVELOPMENT

2.1 uPHONGOLO MUNICIPALITY – LOCAL ECONOMIC DEVELOPMENT:

WARD UPLIFTMENT PROJECT:

In October 2007, the Honourable Mayor Cllr B J Mncwango together with the LED Officer made a visit to all eleven Municipal Wards and met Ward Committees and their Ward Councillors with the purpose of encouraging effective participation in the community development and to assist in the identification process of LED Projects. This is the annual programme initiated by the Municipality with the purpose of fighting unemployment, crime and poverty epidemics.

The attached documents shows a list of project proposals received from each ward, for the budget of R27 045-45 per Ward from uPhongolo Local Municipality and R50 000-00 per Ward from Zululand

District Municipality, ranging from Gardens, Poultry, Sewing, Block making, catering, etc.

Again in July – August 2008, the Honourable Mayor, Cllr B J Mncwango conducted a Road-show programme in all Municipal Wards for dispatching LED Projects Material of both uPhongolo Municipality and Zululand District Municipality. The Zululand District Municipality was able to employ four people in order to assist in delivering the projects. The LED Project Material from ZDM for Ward 11 is still kept in the Airstrip Storeroom because of rising problems between Ward Committee and Ward Councillor, and the Honourable Speaker is still finding ways to solve them. A list of beneficiaries is herewith attached.



Ward 1 Ward Committee Meeting

EMPOWERMENT FOR FOOD SECURITY PROGRAMME:

This is a joint collaboration between KZN Department of Agriculture and Government of Flanders with the objective of improving the livelihoods of poor households by creating sustainable access to nutritious food for all households' members.

The Community Project Planning Committee formed by representatives from all relevant departments, i.e. Health, Agriculture, Social Development, and Farmers and Dutch Reformed Church has held a number of meetings.

A list of projects that were prioritized and implemented in 2007/2008 is as follows:

PROJECT NAME	AREA	SERVICE	BUDGET
Lethithemba Veg Garden	Ncotshane	Fencing	R99 885-74
Lethithemba Poultry	Ncotshane	Broiler unit with Storeroom	R128 345-68
Sivuseleleni Garden	Godlwayo	Irrigation Scheme	R92 184-26
Sicelukukhanya Veg Garden	Nyawoshane	Fencing	R40 367-40
Sukamuva Poultry	Kortnek	Fencing & Broiler Unit with Storeroom	R187 259-57



Lethi Themba Vegetable Garden



Ward 4 Community Projects

WARD	NAME OF PROJECT	DELIVERED MATERIAL
1	Pitergate Poultry	300 x chicks, 5xstarter, 5xgrower & 5xfinisher meshes
	Nyaliza & Mkhaya Teams	4 x soccer kits with balls
	Banakile Caterers	2 x video cameras
	Ward 1 – Soccer Teams	9 x soccer balls
2	Ward 2 – Sound System	Microphones, Speakers, Amplifier, Mixer & Cables
	Ward 2 – Soccer Team	Soccer Kit
	Ward 2 - Caterers	3 Poles Tens and 100 chairs
3	Ward 3 – Soccer Teams	3 x soccer kits with balls
	Ward 3 – Soccer Teams	2 x soccer kits with balls
	Ward 3 – Poultry Project	300xchicks, 10xstarter, 10xgrower, 10xfinisher
	Ward 3 – Cattle Fence	100 x treated poles and 10 x barbed wire
4	Siyafufusa Sewing	3 x sewing machines with over lockers
	Mebedlana Cemetery	100 x treated poles and 10 x barbed wire
	Waterbus Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Mashies
5	Vukasenze Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Mashies
	Siqalukwenza Sewing	100m x grey yards, 100mxnavy yards, 100mxblue yards, 100mxmarron yards, 400mxbinding, 100mxinterfacing
	Ubambolwethu Caterers	4 x steel table, 3 plate gas stove, 48kg gas cylinder, 3x30lt pots
6	Isibonelo Poultry	200x chicks, 5 x starter, 5xgrower & 5 x finisher meshes
	Amanyanda Sewing	3 x sewing machines with overlockers
	Ubumbano Cattle Fence	50 x treated poles and 15 x barbed wire
	Ward 6 – Soccer team	Soccer kit
7	Sibambisene Sewing	3 x sewing machines with overlockers
	Masakhane Youth	3 Pole tent and 100 chairs
	Mngamanzi Cattle Fence	100 x treated poles and 15 x barbed wire
	Zamile Youth	300x chicks, 5 x starter, 5xgrower & 5 x finisher meshes
8	Ward 8 Soccer Team	2 x Soccer kits
	Endabeni Cattle Fence	100 x treated poles and 15 x barbed wire
	Vukani Bafazi Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Mashies
	Vimbindlala Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Mashies
	Impumelelo Poultry	200x chicks, 5 x starter, 5xgrower & 5 x finisher meshes
	Junior Aces F.C	2 X Soccer Kits
9	Vukani & Ikusasalthu	42 x cement bags
	Othandweni Sewing	Sewing Material
	Masimbambane Poultry	5 x starter, 5xgrower & 5 x finisher meshes
	Siyazama Caterers	Catering material
10	Icebolethu Sewing	3 x sewing machines with overlockers
	Sisebenza Sonke	3 x sewing machines with overlockers
	Phuma Langa Sikothe	3 x sewing machines with overlockers
11	Ward 11 Soccer Teams	2 X Soccer Kits

WARD UPLIFTMENT FUND FOR YEAR 2007/2008:



BENEFICIARIES EMPLOYEES	NAME OF PROJECT	DELIVERED MATERIAL
8	Pitergate Poultry	300 x chicks, 5xstarter, 5xgrower & 5xfinisher meshes
	Nyaliza & Mkhaya Teams	4 x soccer kits with balls
	Banakile Caterers	2 x video cameras
	Ward 1 - Soccer Teams	9 x soccer balls
11	Ward 2 - sound System	Microphones, Speakers, Amplifiers, Mixer and cables
	Ward 2 – Soccer Team	Soccer Kit
	Ward 2 - Caterers	3 Poles Tent and 100 chairs
15	Ward 3 – Soccer Teams	3 x soccer kits with balls
	Ward 3 – Soccer Teams	2 x soccer kits with balls
	Ward 3 – Poultry Project	300xchicks, 10xstarter, 10xgrower, 10xfinisher
	Ward 3 – Cattle Fence	100 x treated poles and 10 x barbed wire
	Siyafufusa Sewing	3 x sewing machines with over lockers
	Mebedlana Cemetery	100 x treated poles and 10 x barbed wire
	Waterbus Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Meshes
20	Vukasenze Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Meshes
	Siqalukwenza Sewing	100m x grey yards, 100mxnavy yards, 100mxblue yards, 100mxmarron yards, 400mxbinding, 100mxinterfacing
	Ubambolwethu Caterers	4 x steel table, 3 plate gas stove, 48kg gas cylinder, 3x30lt pots
15	Isibonelo Poultry	200x chicks, 5 x starter, 5xgrower & 5 x finisher meshes
	Amanyanda Sewing	3 x sewing machines with overlockers
	Ubumbano Cattle Fence	50 x treated poles and 15 x barbed wire
	Ward 6 – Soccer team	Soccer kit
20	Sibambisene Sewing	3 x sewing machines with overlockers
	Masakhane Youth	3 Pole tent and 100 chairs
	Mngamanzi Cattle Fence	100 x treated poles and 15 x barbed wire
	Zamile Youth	300x chicks, 5 x starter, 5xgrower & 5 x finisher meshes
25	Ward 8 Soccer Team	2 x Soccer kits
	Endabeni Cattle Fence	100 x treated poles and 15 x barbed wire
	Vukani Bafazi Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Meshes
	Vimbindlala Poultry	500xchicks, 10xstarter, 10x grower & 10x Finishers Meshes
	Impumelelo Poultry	200x chicks, 5 x starter, 5xgrower & 5 x finisher meshes
25	Junior Aces F.C	2 X Soccer Kits
	Vukani & Ikusasalthu	42 x cement bags
	Othandweni Sewing	Sewing material
	Masimbambane Poultry	5 x starter, 5xgrower & 5 x finisher meshes
	Siyazama Caterers	Catering material
15	Icebolethu Sewing	3 x sewing machines with overlockers
	Sisebenza Sonke	3 x sewing machines with overlockers
	Phuma Langa Sikothe	3 x sewing machines with overlockers
	Ward 11 Soccer Teams	2 X Soccer Kits



Ward Upliftment Ward 2 and Ward 11

EXPENSE SCHEDULE FOR WARD UPLIFTMENT PROJECTS:

GOODS	SUPPLIER	AMOUNT
9 X Soccer Kits	Arizona Wholesalers	R13 338-00
21 x Sewing Machines	Pongola Lewis Stores	R58 799-79
Fencing Material	Pongola Cashbuild	R87 123-50
Chicken Mash	Penvaan Feeds	R45 008-45
2 x 3 Pole Tents	Shammah Co-operative	R16 800-00
2 x Video Cameras	Kit Photo	R 5 599-70
Sewing Material	Junk Shopping Centre	R 2 796-21
Catering Material	One Stop Cloth Shop	R 4 086-00
Sewing Material	One Stop Cloth Shop	R13 790-00
3300 x chicks	Keystone hatchery	R13 279-86
42 x cement	Junk Hardware	R 2 704-80
200 x chairs	Shammah Co-operative	R 1 200-00
TOTAL EXPENDITURE		R264 526-31

Total number of Projects 39

Total number of people employed 479

2.2 uPHONGOLO MUNICIPALITY -PONGOLAPOORT DAM DEVELOPMENT PROJECT:

The Local Development Plan approved for the development of the Dam area covered the identification of potential development projects that were included in the plan, through a consultative process.

This identification process had to be followed by a prioritization of projects because limited funding sources were available for the implementation process. The prioritized projects had to be assessed in terms of what is achievable and what would make an impact on the economy of the sub-region.

Having done that, the preferred projects had to be put through a planning phase that reflects no visible progress in the implementation process but is a prerequisite for eventual successful implementation. The environment within which the implementation process had to take place was not easy and several stumbling blocks made the process complex and frustrating to all involved. These stumbling blocks were mainly in the form of a lack of funding for projects, land ownership issues, the co-ordination of activities amongst various institutions with their own responsibilities and agendas. Added to that was the intention to ensure that the projects would be to the benefit of local communities.

The fact that the Inter-Municipality Forum was established and that the four participating Municipalities were committed to participate was a major achievement. It gave status to the municipalities who became a factor to be reckoned with by organizations like the Department of Water Affairs, the Transfrontier Conservation initiative, KZN Wildlife and private Game Reserves.

The Technical Task Team opened up avenues for closer co-operation between the administrations and especially the Technical Departments of the four Municipalities, namely Zululand District Municipality, uMkhanyakude District Municipality, uPhongolo Local Municipality and Jozini Municipality.

During the 2007/2008 period seven business plans were prepared and submitted to obtain funding for identified projects. The first four provided for accesses to the dam, a view site development and a water scheme to provide water to the Gumbi settlement. In addition, a business plan was submitted for the funding of a marketing strategy and plan for the project. A grant for this was received totaling an amount of R500 000.00 during June 2008. These applications were submitted to the Lebombo Corridor Steering Committee. A business plan was also submitted to obtain funding from the Ingonyama Trust Board for the preparation of a planning framework for the northern and southern gorge areas. This application was successful.

Following on the submission of a business plan to obtain funding for the planning of a development hub at the junction of the Jozini – N2 road, the Department of Local Government approved an amount of R800 000.00 for the preparation of a DFA application for the site. A business plan was also submitted for the funding of tourism development nodal points, and this was approved, a total funding over a period of two financial years, totaling R5 million.

The proposals for the Gorge Development Framework were received and Consultants were appointed to conduct the study, after consultation was done with the Ingonyama Trust Board. It is envisaged that following on the recommendations obtained through the study, the ITB will be closely involved with the marketing process to secure private investments in the development of the area.

An Infrastructure Working Group was established to facilitate joint planning of the provision of water and sanitation to the proposed development nodes.

Interaction is taking place on a continuous basis with the consultants involved in the development of a PPP Policy and framework for access to the dam surface. It is expected that this study will be completed by November 2008 and the recommendations should guide any future decisions regarding houseboats on the dam and all accesses onto the surface of the dam.

Pertaining to the Gumbi Community Formalisation Project, the three settlements, namely Bethel, Hlambanyathi and Cotlands sites have been staked out according to the Municipality proposal with minor changes at Bethel as to accommodate the Traditional Court under construction. Draft layout plans for the 3 settlements have been completed. Once final plans are in place, the surveyor will be consulted to stake out all sites for the purposes of allocation of sites to the community by the Inkosi. Provision of water to the areas will be by means of water boreholes. Boreholes have been drilled in the areas with one that was found in Cotland with a rate of 5000l/day. A service provider has been appointed to build pump stations and lay water pipes and connect to the existing water system.

Another service provider will be appointed to cater for Candover and Bethel settlements, and any other developments in close vicinity of the dam. The project is two phased and the first phase is the construction of reservoir at Candover and laying of bulk water pipeline along the N2 carriage way and also along the Mpetha stream to the dam.





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KPA 3: MUNICIPAL FINANCIAL VIABILITY

uPHONGOLO LOCAL MUNICIPALITY

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uPHONGOLO MUNICIPALITY

FOREWORD – HONOURABLE MAYOR, CLLR B J MNCWANGO

uPhongolo Local Municipality being the Northern KwaZulu Natal gateway into the kingdom of Swaziland through the Onverwacht and the Lavumisa border post is also the gateway to Mpumalanga Province. uPhongolo Municipality is sharing Municipal boundaries with five municipalities, which are uMkhondo Municipality, Jozini Municipality, Nongoma Municipality, Abaqulusi Municipality and eDumbe Municipality.

Pongola Town is surrounded by the Pongola River, private game reserves and Ithala Game Reserve on the west. The mighty Pongola River flows into the third largest dam in RSA. This attraction makes uPhongolo Municipality a real international Tourism destination.

The sugar can valley is the major engine of our economic survival followed by the Tourism Industry. Through the Local Economic Development Programme, the uPhongolo Municipal Council is committed to Economic Development by promoting Tourism around the Pongolapoort Dam and allowing business people to invest in our market place in Pongola Town.

It is pleasing to state that uPhongolo Municipality has registered an improvement in the performance of its Financial Department. The time frames for the completion of financial statements over the past year have been met. The municipality is also proud to have produced for the financial year ended 2007, an unqualified audit report.

It is also pleasing to report that this Municipality is gradually succeeding in doing service delivery even in those areas that are still not paying for services like property rates, etc. The Municipality has embarked on the maintenance and upgrading of rural access roads. Soccer fields in the Amakhosi areas have been upgraded, though not in all the areas.

In the Zululand District, the local Municipalities are preparing to implement the Municipal Property Rates Act in July 2009. Mechanisms are being put into place to collect information/data for identifying ratable

properties in our Municipal area, since the implementation of the MPRA is being undertaken via shared services involving the 5 local Municipalities under Zululand District Municipality.

The challenge that we are still contending with, is poverty and joblessness in most of our Municipal Communities, which results in poor payment for services rendered by the Municipality. Therefore, credit control and debt collection still remains the challenge.

Alleviation for the future is also that Project Management in this traditional sense, remains the defining point and to this end, an association has been formed and new legislation is currently promulgated to increase and maintain standards in the industry. Project Managers will now have to be registered as professionals before they can practice. This has become necessary in order to protect the end users and the public, and in so doing, ensure uniformity in the quality of the service rendered.

A performance management system for local government is established, including a system evaluating performance in priority areas, and reporting annually to citizens and other spheres of government, so that performance can be compared across the whole of local government, and under-performance in critical areas, identified at an early stage. This is aimed at providing municipalities with a tool to evaluate the progress of their development plan, as well as a more rational and informed basis for choosing appropriate service providers.

In conclusion, I wish to express my appreciation to the Executive Committee, Council and staff who have dedicated themselves to the development of uPhongolo and their hard work and commitment in ensuring that our goals are met.



B J MNCWANGO

HONOURABLE MAYOR

uPHONGOLO MUNICIPALITY

GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE:

Councillor B J Mncwango – (Chairperson) – Honourable Mayor
Councillor S W van der Merwe -Honourable Deputy Mayor
Councillor K E Thabede
Councillor B Mvelase

MEMBERS OF THE UPHONGOLO MUNICIPAL COUNCIL

Councillor S V Dlamini – (Ex-Officio) - Honourable Speaker
Councillor J P Ngwenya
Councillor M L Sibiya
Councillor M M Mtungwa
Councillor M B Mavimbela
Councillor C I Mathebula
Councillor A S Mafuleka
Councillor M J Dlamini
Councillor M G Mathabela
Councillor Z L Nxumalo
Councillor A Z Thabede
Councillor S V Nkosi
Councillor M B Makhoba
Councillor M E Dlamini
Councillor B C Nhlabathi
Councillor K J Shabangu
Councillor N P Mavuso
Councillor J C Theron

GRADING OF THE LOCAL AUTHORITY - Grade 4

AUDITORS - Office of the Auditor – General

BANKERS

First National Bank of South Africa – (Primary Bank Account)
ABSA

REGISTERED OFFICE:

Municipal Office –
P O Box 191
61 Martin Street
Pongola
3170

Telephone: 034-4131223
Facsimile: 034-4131706
e-mail: pongolatlc@pga.dorea.co.za

MUNICIPAL MANAGER:

Mrs M F F Jardim

CHIEF FINANCIAL OFFICER

Mrs J C van Tonder

APPROVAL OF FINANCIAL STATEMENTS:

The annual financial statements set out on pages 14 to 28 were approved by the Municipal Manager on 27th August 2008 and was presented to Council on 25th September 2008



MUNICIPAL MANAGER



CHIEF FINANCIAL OFFICER

**REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL
PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL
STATEMENTS AND PERFORMANCE INFORMATION OF uPHONGOLO
MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2008**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the uPhongolo Municipality which comprise the balance sheet as at 30 June 2008, income statement and cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 44 to 90.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the entity-specific basis of accounting, as set out in accounting policy note 1 and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2007 (Act No. 1 of 2007) (DORA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
6. An Audit also includes evaluating the:
 - appropriateness of accounting policies used
 - reasonableness of accounting estimates made by management
 - overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of accounting

8. The entity's policy is to prepare financial statements on the entity-specific basis of accounting, as set out in accounting policy note 1.

Opinion

9. In my opinion the financial statements of the uPhongolo Municipality as at 30 June 2008 and its financial performance and cash flows for the year then ended have been prepared, in all material respects, in accordance with the basis of accounting

as set out in accounting policy note 1 and in the manner required by the MFMA and DORA.

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Emphasis of matter

Without qualifying my audit opinion, I draw attention to the following matters:

Restatement of corresponding figures

10. As disclosed in note 23 to the financial statements, the corresponding figures for 30 June 2007 have been restated as a result of an error discovered during the year ending 30 June 2008 in the financial statements of the uPhongolo Municipality as at, and for the year ended 30 June 2007.
11. The 2007-08 budget submitted to Provincial Treasury was not presented in the prescribed format, as required by section 17.

OTHER MATTERS

Without qualifying my audit opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Non-compliance with applicable legislation

Municipal Finance Management Act

12. The 2007-08 municipalities' service delivery and budget implementation plan was not approved within 28 days after the approval of the budget, as required by section 53(1) (ii).
13. There was no fraud prevention or risk management policy in place, as required by section 62(1) (c) (i).
14. The 2007-08 monthly budget statements were not submitted to Mayor and Provincial Treasury, as required by section 71.

15. The municipality's website was not up to date, as required by section 75.

16. The 2006-2007 annual report was not submitted and tabled within seven months from year-end, as required by section 127.

Division of Revenue Act

17. Signed returns on conditional grant spending have not been submitted to the Provincial Treasury in terms of sections 12(1) (b) and 12(4) of DORA and section 71(5) of the MFMA.

Matters of governance

18. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which have assessed as follows:

Matters of governance	Yes	No
Audit committee		
• The municipality had an audit committee in operation throughout the financial year.	√	
• The audit committee operates in accordance with approved, written terms of reference.		√
• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA		√
Internal audit		
• The municipality had an internal audit function in operation throughout the financial year	√	
• The internal audit function operates in terms of an approved internal audit plan.	√	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA.	√	
Other matters of governance		
• The annual financial statements were submitted for audit as per the legislated deadlines in section 126 of the MFMA.	√	
• The annual report was submitted to the auditor for consideration prior to the date of the auditor's report.		√
• The financial statements submitted for audit were not subject to any material amendments resulting from the audit.		√
• No significant difficulties were experienced during the audit concerning delays or the unavailability of		√

expected information and/or the unavailability of senior management.		
• The prior year's external audit recommendations have been substantially implemented.	√	
Implementation of Standards of Generally Recognized Accounting Practice (GRAP)		
• The municipality submitted an implementation plan, detailing progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 30 October 2007.		√
• The municipality substantially complied with the implementation plan it submitted to the National Treasury and the relevant provincial treasury before 30 October 2007, detailing its progress towards full compliance with GRAP.		√
• The municipality submitted an implementation plan, detailing further progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 31 March 2008,		√

Un-audited supplementary schedules

19. The supplementary information set out on pages xx to xx do not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

20. I was engaged to review the performance information.

Responsibility of the accounting officer for the performance information

21. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Local Government Gazette No. 31057 of 15 May 2008 and section 45 of the MSA.

Responsibility of the Auditor-General

22. I conducted my engagement in accordance with section 13 of the PA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008* and section 45 of the MSA.
23. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgment.
24. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)

Non-compliance with regulatory requirements

Content of integrated development plan

25. The integrated development plan of the uPhongolo Municipality for 2007-2008 did not include the key performance indicators and performance targets determined in terms of its performance management system, as required by section 26(i) of the MSA.

Existence and functioning of a performance audit committee

26. The uPhongolo Municipality did not appoint and budget for a performance audit committee, neither was another audit committee utilized as the performance audit committee, as required by paragraph 14(2)(a) of the Local Government: Municipal Planning and Performance Management Regulations,

Internal auditing of performance measurements

27. The uPhongolo Municipality did not develop and implement mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes, as required by section 45 of the MSA.

Performance information not received in time

28. The financial statements submitted for auditing did not include a report on the performance information of the municipality, as required by *General Notice 616 as published in Government Gazette No. 31057 dated 15 May 2008*, read with section 46 of the MSA and was still not received at the date of this report.


APPRECIATIONS

29. The assistance rendered by the staff of the uPhongolo Municipality during the audit is sincerely appreciated.

Auditor-General



Pietermaritzburg
28 November 2008



uPHONGOLO
MUNISIPALITEIT / MUNICIPALITY

Rig Korrespondensie aan:
DIE AGBARE BURGEMEESTER

Address Correspondence to:
THE HONOURABLE MAYOR

MUNISIPALE KANTOOR
MUNICIPAL OFFICE
Martinstraat/Street 61
Posbus/P.O. Box 191
Pongola 3170
Tel. (034) 4131223
Faks/Fax: (034) 4131706
e-mail:
pongolatic@pga.dorea.co.za

Your Ref. _____
UVerw: _____

Our Ref _____
Ons Verw: _____

02994REG0708

Auditor General
Private Bag x9034
Pietermaritzburg
3200

10 December 2008

Attention: Neville Barren

**REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL
PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL
STATEMENTS AND PERFORMANCE INFORMATION OF uPHONGOLO
MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2008:**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. Noted

Responsibility of the accounting officer for the financial statements

2. The responsibilities of the accounting officer were performed according to applicable Legislation.

Responsibility of the Audit-General

3. The expressed opinion is noted.
4. The standards of the conducting of the Audit and the financial recording in the statements are noted.
5. The disclosures, audit performance and risk assessments is noted.
6. The Audit evaluation process is noted.
7. The basis of the audit opinion is noted.

Basis of accounting

8. Noted

Opinion

9. The opinion is noted and a word of appreciation is given towards the entire approach and process in which the audit was conducted by the Auditor-General.

Emphasis of matter

The audit opinion is noted and the following explanations for the matters as stated.

Restatement of corresponding figures

10. Noted

OTHER MATTERS

Non-compliance with applicable legislation

Municipal Finance Management Act

11. Due to the fact that there were three acting CFO's from January 2007 to January 2008, there was no continuity in the preparation of the budget and submission of reports. One

annexure forming part of the total of prescribed budget annexures to be submitted was overlooked and not sent.

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12. The 2007/2008 SDBIP was submitted to the mayor and submitted to the Department of Local government and Traditional Affairs on the 17 August 2007. Due to the resignation of the financial manager, Mr I White, and the resignation of the acting CFO, Mr L Burger, it was not done timeously. When Mr P Oosthuyzen acted as CFO, it was done and presented to the council during August 2007.
13. The Municipality does have a risk management policy. It was adopted by council and is hereby attached for easy reference.
14. A service provider was appointed to set up our website. Unfortunately, the service provider appointed to do the website, absconded and immigrated and the access codes to the website were not passed on to the municipality. In the interim, another service provider was appointed to complete the website and the website became active in October of 2008. The Corporate Manager will become jointly responsible with the appointed service provider-Netwize-for the maintenance and update thereof.
15. Although computer generated reports with regard to income and expenditure were forwarded to Heads of departments monthly, the actual reporting to the municipal manager and the mayor only commenced in March 2008. However, legislation requires that monthly reports, as well as extracts from the finance committee meetings be forwarded to Provincial Treasury monthly and this will be done. There were three acting chief financial officers during the 07/08 period and unfortunately, these were not individually long enough to call meetings and forward the required financial reports. Since a chief financial officer has now been appointed, there is more stability and continuity and regular reporting is more visible.
16. The annual report was submitted within the prescribed period, refer attached.

Division of Revenue Act

17. These was submitted to provincial and national, unfortunately not timeously, refer to comment made on point 15.

Matters of governance

18. All matters mentioned as matters of governance are noted. The GRAP conversion will take place in the 2008/2009 financial year. As a low capacity municipality the Government Gazette published that the final date of implementation must be 2008/2009. A consultant is being appointed to assist in this regard.

Un-audited supplementary schedules

19. Your comment is noted.

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

20. Noted

Responsibility of the accounting officer for the performance information

21. Noted

Responsibility of the Audit-General

22. Noted
23. Noted
24. Noted

Audit findings (performance information)

Non-compliance with regulatory requirements

Content of integrated development plan

25. Key performance indicators are taken up in the various departments HOD's performance assessments. The fact that

they must be included in the IDP is noted and this will be addressed and revised.

Existence and functioning of a performance audit committee

26. Internal audit committee is a shared service with ZDM. A Chairman was appointed, namely Mr P Kean of KPMG. The internal audit committee serves as the performance assessment auditors. See attached annexure of minutes.

Budget provision of R 1 048 531.00 was made.

Internal auditing of performance measurements

27. Quarterly Projections for Service Delivery Targets and other Performance Indicators was introduced and maintained by the different departments.

Performance information not received in time

28. The report is received from the external auditors, which can be made available for audit purposes when required.

The report consists of the following:

- Strategic planning to drive the PMS process
- Management involvement
- PMS resources
- Coordination and corporation between departments
- PMS Policy

APPRECIATION

29. An appreciation towards the personnel who conducted the Audit, more specifically, Mr Jonathan Soobramoney, who was of immense assistance in the audit of 2007/2008.



MRS M F F JARDIM
MUNICIPAL MANAGER

uPHONGOLO MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

TREASURER'S REPORT

1. OPERATING RESULTS

Details of the operating results per department, classification and object of expenditure are included in appendices D and E. The overall operating results for the year ended 30 June 2008 are as follows:

TOTAL OF ALL SERVICES

INCOME

Opening Surplus
Sundry transfers
Operating Income for the year

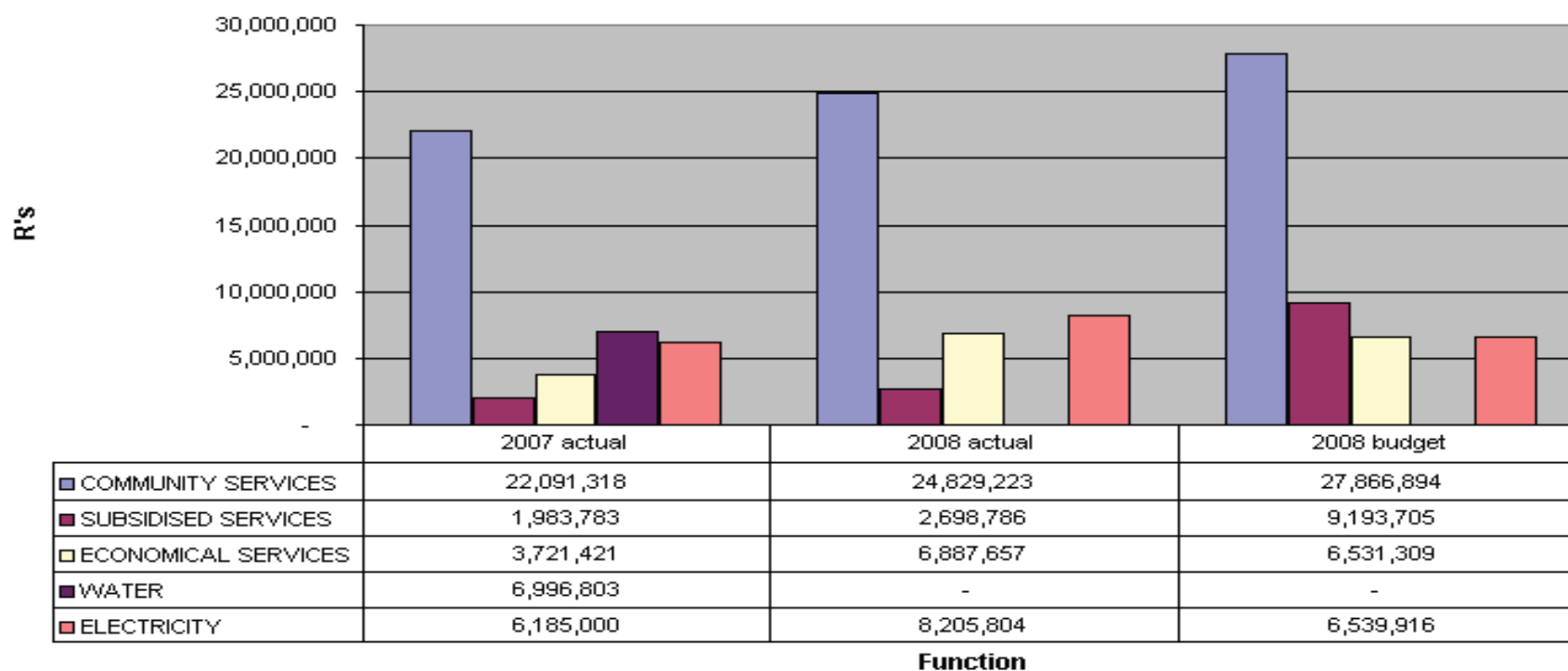
EXPENDITURE

Operating Expenditure for the year
Sundry transfers
Closing surplus/(deficit)

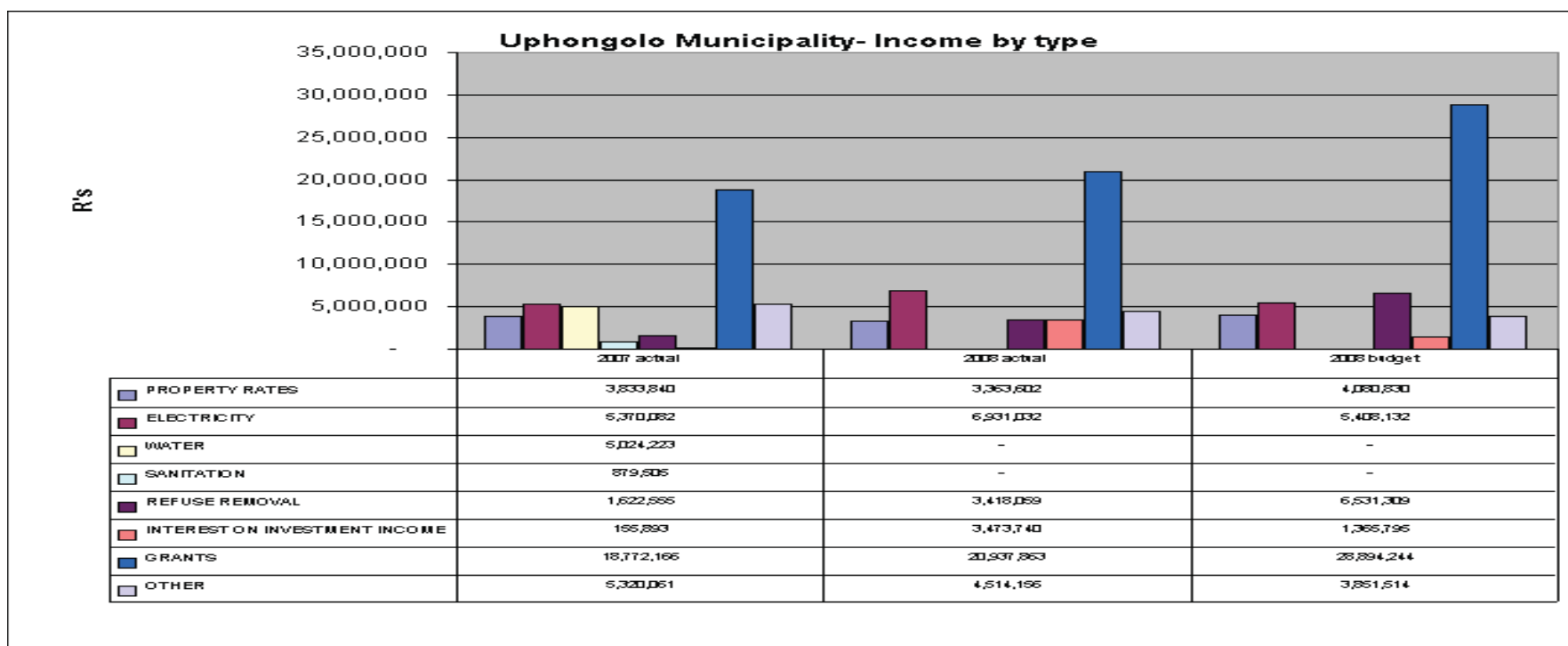
ACTUAL 2007	ACTUAL 2008	VARIANCE 2007/2008	BUDGET 2008	VARIANCE ACTUAL/BUDGET
R	R	%	R	%
5,901,979	3,884,564	-34.18%		
-	-			
38,666,350	42,621,470	10.23%	50,131,823	-14.98%
44,568,329	46,506,034		50,131,823	
37,129,343	45,354,681	22.15%	50,131,823	-9.53%
1,537,007	(90,223)	-105.87%		
5,901,979	1,241,575	-78.96%	-	
44,568,329	46,506,032		50,131,823	

	ACTUAL 2007	ACTUAL 2008	VARIANCE 2007/2008	BUDGET 2008	VARIANCE ACTUAL/BUDGET
INCOME PER FUNCTION					
COMMUNITY SERVICES	22,091,318	24,829,223	12.39%	27,866,894	-10.90%
SUBSIDISED SERVICES	1,983,783	2,698,786	36.04%	9,193,705	-70.65%
ECONOMICAL SERVICES	3,721,421	6,887,657	85.08%	6,531,309	5.46%
TOTAL GENERAL SERVICES	27,796,522	34,415,666	23.81%	43,591,907	-21.05%
WATER	6,996,803	-	-100.00%	0	
ELECTRICITY	6,185,000	8,205,804	32.67%	6,539,916	25.47%
TOTAL TRADING SERVICES	13,181,803	8,205,804	-37.75%	6,539,916	25.47%
TOTAL AS PER FUNCTION	40,978,325	42,621,470	4.01%	50,131,823	-14.98%

Uphongolo Municipality- Income by Function



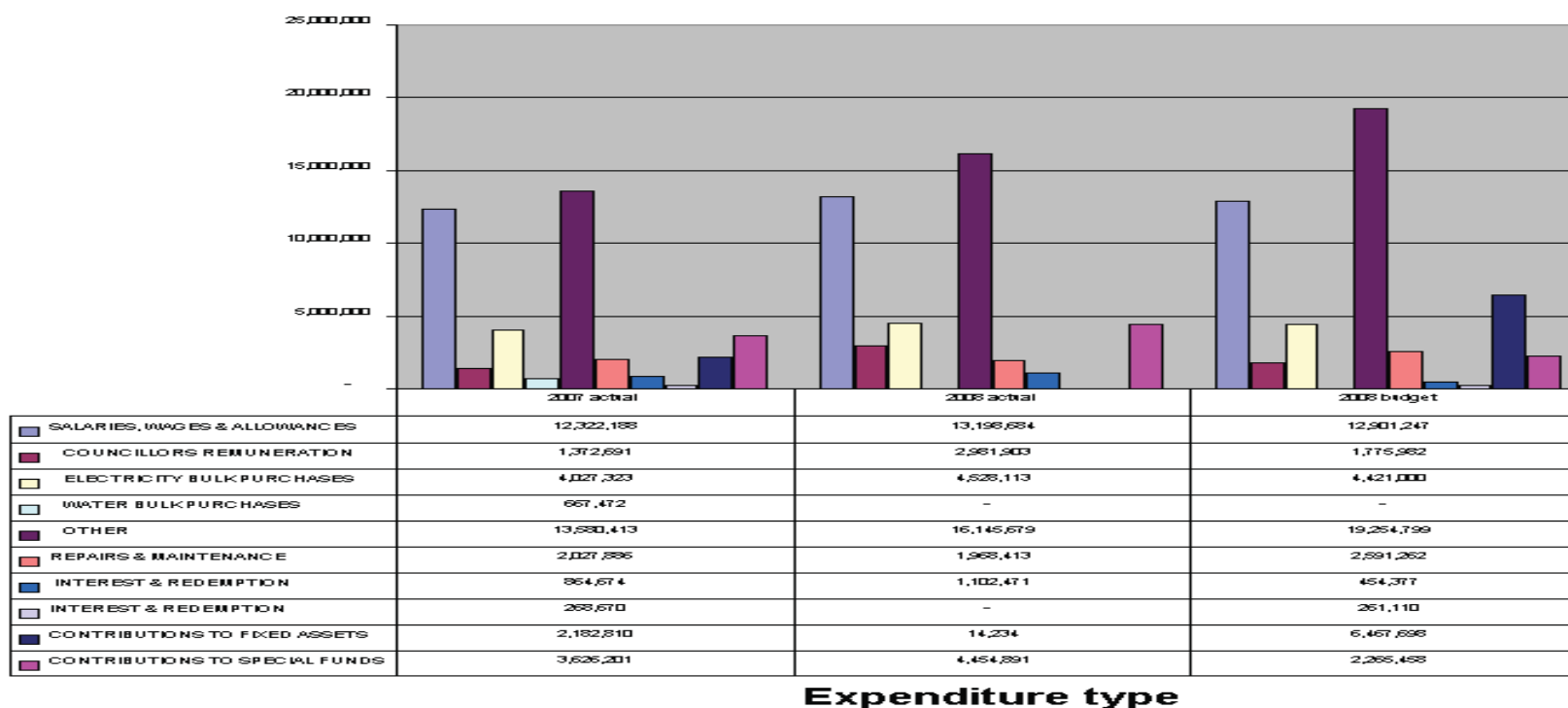
	ACTUAL 2007	ACTUAL 2008	VARIANCE 2007/2008	BUDGET 2008	VARIANCE ACTUAL/BUDGET
OPERATING INCOME PER CATEGORY					
PROPERTY RATES	3,833,840	3,363,602	-12.27%	4,080,830	-17.58%
ELECTRICITY	5,370,082	6,931,032	29.07%	5,408,132	28.16%
WATER	5,024,223	-	-100.00%	-	
SANITATION	879,505	-	-100.00%	-	
REFUSE REMOVAL	1,622,555	3,418,059	110.66%	6,531,309	-47.67%
INTEREST ON INVESTMENT INCOME	155,893	3,473,740	2128.28%	1,365,795	154.34%
GRANTS	18,772,166	20,937,863	11.54%	28,894,244	-27.54%
OTHER	5,320,061	4,514,156	-15.15%	3,851,514	17.20%
TOTAL	40,978,325	42,638,453	4.05%	50,131,823	-14.95%



	ACTUAL 2007	ACTUAL 2008	VARIANCE 2007/2008	BUDGET 2008	VARIANCE ACTUAL/BUDGET
EXPENDITURE PER FUNCTION					
COMMUNITY SERVICES	16,709,067	28,627,586	71.33%	27,146,406	5.46%
SUBSIDISED SERVICES	4,884,482	5,856,612	19.90%	12,832,080	-54.36%
ECONOMICAL SERVICES	3,818,170	3,727,747	-2.37%	3,031,371	22.97%
TOTAL GENERAL SERVICES	25,411,719	38,211,945	50.37%	43,009,857	-11.16%
WATER	5,031,785	-	-100.00%		
ELECTRICITY	6,685,839	7,142,736	6.83%	7,121,966	0.29%
TOTAL TRADING SERVICES	11,717,624	7,142,736	-39.04%	7,121,966	0.29%
TOTAL AS PER FUNCTION	37,129,343	45,354,681	22.15%	50,131,823	-9.53%

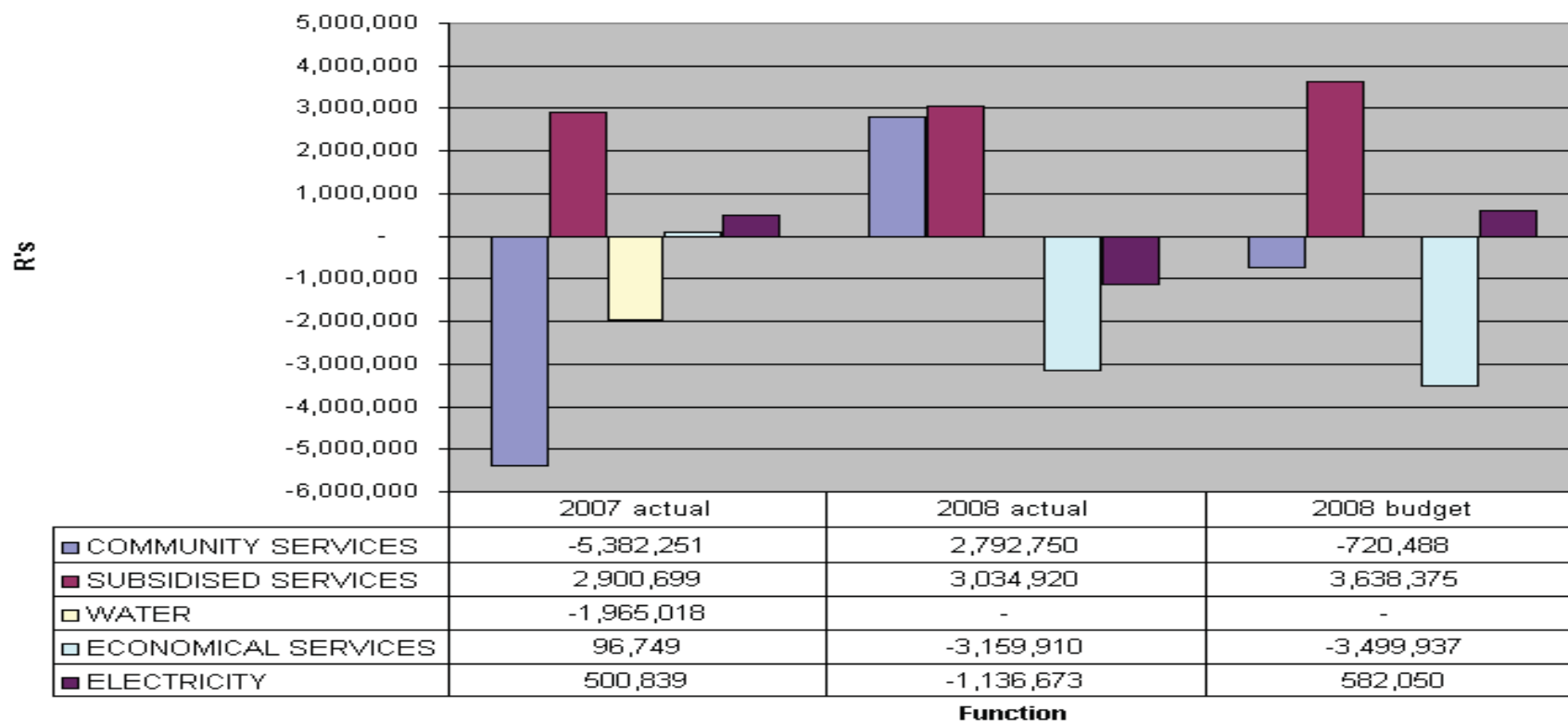
Uphongolo Municipality- Expenditure by type

R's



	ACTUAL 2007	ACTUAL 2008	VARIANCE 2007/2008	BUDGET 2008	VARIANCE ACTUAL/BUDGET
OPERATING EXPENDITURE					
SALARIES, WAGES & ALLOWANCES	12,322,188	13,198,684	7.11%	12,901,247	2.31%
GENERAL EXPENDITURE					
COUNCILLORS REMUNERATION	1,372,691	2,981,903	117.23%	1,775,982	67.90%
ELECTRICITY BULK PURCHASES	4,027,323	4,542,993	12.80%	4,421,000	2.76%
WATER BULK PURCHASES	667,472	-	-100.00%	-	
OTHER	13,580,413	16,789,173	23.63%	19,254,799	-12.81%
REPAIRS & MAINTENANCE	2,027,886	2,309,239	13.87%	2,591,262	-10.88%
CAPITAL CHARGES					
INTEREST & REDEMPTION	864,674	1,102,471	27.50%	454,377	142.63%
INTEREST & REDEMPTION	268,670	-	0.00%	-	
CONTRIBUTIONS TO FIXED ASSETS	2,182,810	14,235	-99.35%	6,467,698	-99.78%
CONTRIBUTIONS TO SPECIAL FUNDS	3,626,201	4,432,967	22.25%	2,265,458	95.68%
TOTAL GROSS BUDGET EXPENDITURE	40,940,328	45,371,664	10.82%	50,131,823	-9.50%
LESS AMOUNTS REALLOCATED	3,810,985	-	-100.00%	-	
TOTAL: NET BUDGET EXPENDITURE	37,129,343	45,371,664	22.20%	50,131,823	-9.50%

Uphongolo Municipality- Nett (surplus)/Deficit per function



	ACTUAL 2007	ACTUAL 2008	VARIANCE 2007/2008	BUDGET 2008
(SURPLUS)/DEFICIT PER FUNCTION				
COMMUNITY SERVICES	(5,382,251)	3,798,363	-170.57%	(720,488)
SUBSIDISED SERVICES	2,900,699	3,157,826	8.86%	3,638,375
ECONOMICAL SERVICES	96,749	(3,159,910)	-3366.09%	(3,499,937)
TOTAL GENERAL SERVICES	(2,384,803)	3,796,279	-259.19%	(582,050)
WATER	(1,965,018)	-	-100.00%	-
ELECTRICITY	500,839	(1,063,069)	-312.26%	582,050
TOTAL TRADING SERVICES	(1,464,179)	(1,063,069)	-27.39%	582,050
TOTAL AS PER FUNCTION	(3,848,982)	2,733,211	-171.01%	(0)

The Total income is 4.6% more than the previous year, due to various reasons, but mainly due to the increase in the equitable share allocation

Actual expenditure increased marginally, in spite of the increase in Councillor Allowances and increases to special funds.
The reduced financing of assets from revenue was due to cash flow reasons- (see increase in debtors).

The current nett loss was due to various projects approved due the necessity thereof which was not provided for

in the budget. The accumulated nett results however still reflect favourably

CAPITAL EXPENDITURE AND FINANCING

Expenditure on Fixed assets during the year amounted to R7,367,203

Expenditure on Infrastructure amounted to R 7,272,924

This was funded from Municipal Infrastructure Grants/A summary of capital outlay per function is as follows:

	ACTUAL 2007	ACTUAL 2008	BUDGET 2008
	R	R	R
COMMUNITY SERVICES	4,994,118	7,367,203	6,209,698
SUBSIDISED SERVICES	112,623	-	-
ECONOMICAL SERVICES	83,888	-	158,000
TOTAL GENERAL SERVICES	5,190,629	7,367,203	6,367,698
WATER	1,132,987	-	-
ELECTRICITY	196,909	-	-
TOTAL TRADING SERVICES	1,329,896	-	-
PUBLIC IMPROVEMENT FUND	107,161	-	-
TOTAL AS PER FUNCTION	6,627,686	7,367,203	6,367,698

Resources used to finance the fixed assets were as follows:

Contribution from revenue	2,182,810	14,235	6,367,698
Grants	73,500	7,352,968	3,025,544
External Loans	2,870,468		
Internal Advances	1,191,507	-	-
Other Sources	309,401	-	
	6,627,686	7,367,203	9,393,242

A complete analysis of capital expenditure (Budget and actual) per department, classification or service is included in appendix C.

Investments and cash

Investments decreased from 4827653 to 3,363,454

The results for the year- nett deficit, had an impact on the cash reserves.

FUNDS, RESERVES AND PROVISIONS

The movement regarding statutory funds, reserves and provisions is disclosed in the notes and Appendix A to the financial statements.

Funds and Reserves

- Statutory Funds

This Funds represents Capital Development Fund and the Public Improvement Fund. Appendix A represents the detail thereof. The value of the Fund R 16 564 45.75 (See also note 27.) Apart from the interest earned on internal advances for the CDF, other movements represent reclassifications of prior year balances.

- Trust Funds

Expenditure represent the Low-cost Housing Project which was temporarily utilised to proceed with this Housing Project and Council

is liaising with the Department of Housing to retrieve the amount of R 3,262 979. (See notes to the Financial Statement No. 28.) Additional expenditure incurred during 2007/08 amounted to R213 907.

- Reserves

The detail thereof can be viewed in Appendix A of the statement to the value of R7 102 352.85

ACCUMULATED SURPLUS

The detail thereof can be viewed in the Income Statement and it can be mentioned that although the transactions for the year represent a deficit to the amount of R2 642 987.83(including prior year approp), the accumulated surplus ends on R 1 241 574.77

CONSUMER DEPOSITS

The Consumer Deposits decreased in view of the Water and Sewer Services being managed by Zululand District Municipality

FIXED ASSETS

Total fixed assets have increased with. R7 367 204.29

LONG TERM DEBTORS

The Balance of R11 145.33 represents amounts outstanding regard various sites purchased.

The policy for sale of erven is as follows: Deposit paid on the cost, and then the balance upon registration.

DEBTORS

A stricter control will be introduced regarding debt collection and credit control management. Furthermore, Council approved the right-off of outstanding debts where it was incorrectly raised and is unrecoverable in the previous financial year which has only been effected in 2007/08

CURRENT LIABILITIES**- Provisions**

The amount of R 695 615.20 represent the accumulated leave which is based on the leave availability of all staff members as at 30 June 2008.

- Creditors

The amount of R3 138 077.22 represent Trade Creditors and VAT and various miscellaneous creditors. (See note 12 to the Financial Statements.)

- Bank overdraft

Theoretically, the bank is not in overdraft .The outstanding cheques in favour of suppliers amounted to of R 1,358 604. on 30 June 2008.

FNB is the main account. Dec 2000

ABSA is the support account for bond registration. Jul 2004

SURETY DEPOSITS

The following surety deposits are held in the name of uPhongolo Municipality:

- ESCOM deposits**COUNCILLORS REMUNERATION**

Not 14 to the Financial Statements represent the detail as referred to in the circular and in addition to the expenditure Appendix D includes other expenditure which is directly related to Councillors Remuneration.

STATISTICS (refer app F)

This represents the following: Property Rates Valuation, Building Statistics, Earth Information and Electrical kilowatt Usage.

APPRECIATION

I would like to thank the Mayor, the deputy Mayor, Speaker, the Chairman and Members of the executive Committee, and other Councillors, the Municipal Manager and Departmental Heads for the support they have given me and my personnel during the year. A special word of thanks to the Department of Traditional and Local Government Affairs, the consultants and personnel of the Finance Department for their loyalty and commitment in preparing the financial accounts of our municipality.



J C Van Tonder
Chief Financial Officer

31 October 2008

uPHONGOLO MUNICIPALITY

ACCOUNTING POLICIES:

1. Basis of Presentation:

These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Practice (1992) and the Report on the Standardization of Financial Statements of Local Authorities (4th Edition, as amended).

The accounting policies are consistent with those of the previous year in all material respects, except where otherwise stated.

The financial statements are prepared on the historical cost basis, adjusted for capital expenditure as more fully detailed in paragraph three below.

The financial statements are prepared on the accrual basis:

- Income is accrued when collectable and measurable. Certain direct income is accrued when received, such as traffic fines and certain licences.
- Expenditure is accrued in the year it is incurred.

2. Consolidation:

The balance sheet includes General Services, the various funds, reserves and provision. All inter-departmental transactions have been offset against each other. Departmental assessment rates, electricity, refuse removal; have been shown as income and expenditure under the respective departments.

3. Fixed Assets:

Fixed Assets are stated:

- at historical cost, or
- at valuation (based on the market price at the date of acquisition), where assets have been acquired by grant or donation.
- While in existence or fit for use.

Depreciation

- Fixed Assets are not depreciated although the amount of "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation.

All net proceeds from the sale of vacant fixed property are credited to the Public Improvement Fund. Net proceeds from the sale of all other assets are credited to the Capital Development Fund.

Capital Assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated life of the assets so acquired. Interest is charged to the service at the ruling interest rate applicable at the time that the advance is made.

Capital equipment acquired by way of finance lease is brought into the accounting records as fixed assets which have been financed by long-term liabilities.

Assets are written off with the express and prior approval of the Council only.

4. Inventory:

No stock is currently on hand in view that expenditure is directly allocated to each and every department when incurred.

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5. Funds, Reserves and Provisions:
Capital Development Fund

The Natal Ordinance No. 25 of 1974, Section 103 (9), requires a minimum contribution of 3 per centum of the defined income of a municipality. The fund is used to finance capital expenditure, and the surplus funds are invested. No contribution may be made if sufficient funds have accumulated in the fund. uPhongolo Local Municipality has been exempted from contributing to the CDF for the 2007/2008 financial years and has been approved in terms of Section 103 (9) (b) (i) of the Local Authorities Ordinance of KwaZulu- Natal, No. 25 of 1974.

Public Improvement Fund

The Public Improvement Fund provides funding for future township development. All development costs as defined in section 103 (3) (d) of the Local Government Ordinance, Natal, No. 25 of 1974, are debited against the fund. All proceeds from the sale of developed land are credited as income for the fund. The fund is used to finance capital expenditure, and the surplus funds are invested. There is however, a provision as to what type of asset may be funded from this Fund.

Trust Funds

The amounts reflected as Trust Funds are the unspent portion of grants received from various Departments. The purpose of these grants is for capital operating nature.

Reserves

The amounts reflected as Reserves are provisions made from grant funding for expenditure related to conditional

predetermined projects and may be of capital or operational nature as stipulated in the memorandum of agreement, and of which the amount is unknown and the service still to be rendered.

Provisions

Leave:

A Provision actual to the leave credit as at year end is maintained to provide for leave payments on termination of service or on request. The provision is funded by contributions from operating expenditure.

Bad Debts:

A provision equal to the outstanding consumer debtors for 90 days and longer is maintained for bad debts. Contributions are made from accumulated funds or operating expenditure, depending on the availability of previous years-or current year surpluses. The provision is currently however, not equal to the amount as indicated in the policy, due to insufficient surpluses available, and will be adjusted annually until the necessary amount is reached.

6.

Retirement Benefits

All employees, with the exception of Contract employees, contribute to various pension funds as listed in note 23. A full actuarial valuation is conducted by the funds' actuaries every three years. These funds are presently in a stable financial position. An interim valuation was conducted as at 31 March 2004. The last full valuations were in March 2002. The retirement benefit plan is subject to the rules and regulations prescribed by the Local Government Superannuation Ordinance, 1973 (Ordinance No. 24 of 1973) and in accordance with the requirements of the Pensions Fund Act, 1956. Current contributions are charged against operating income on the basis of current service costs. Councillors may join the Councillors Pension Fund, which is managed in accordance with the Pensions Funds Act, 1956.

- 10.1 Services are billed monthly. Any other income is by direct payment prior to service being rendered.

7. Investments

Investments are shown at cost and are in securities prescribed in Section 125 of Natal Ordinance, No. 25 of 1974. They are considered to be risk-free. Investments are shown at the lower of cost or market value if a permanent decline in the value occurred, and are invested in securities as prescribed by Section 125 of the Local authorities Ordinance, 1974 (Ordinance No. 25 of 1974 and Section 10G(9) of the Local Government Transition Act, 1993 (Act No. 209 of 1993).

8. Treatment of Administration and other Overhead Services
Any surplus or deficit from the operations of the Electricity, and other Services are included in the Accumulated Surplus Account for Rates and General Services. These Accounts are however ringfenced and separate accounts are maintained.

9. Leased Assets

9.1 Fixed assets held under finance leases are capitalized such leases are effectively amortised over the term of the lease agreement. Lease finance charges are allocated to accounting periods over the duration of the leases, by the effective interest rate method which reflects the extent and the cost of the lease finance utilized in each accounting period.

- 9.2 All other leases are treated as operating leases and the relevant rentals are charged to the operating account in a systematic manner related to the period of use of the asset concerned.

10. Income Recognition

Assessment rates are levied on land and buildings and are billed both monthly and annually.

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2008

	NOTE	2008 R	2007 R
<u>CAPITAL EMPLOYED</u>			
FUNDS AND RESERVES		20,366,528.00	19,112,482.00
Statutory Funds	1	16,527,153.00	16,608,496.00
Trust Funds	2	-3,262,979.00	-3,049,072.00
Reserves	3	7,102,353.00	5,553,058.00
ACCUMULATED SURPLUS		1,241,575.00	3,884,564.00
LONG-TERM LIABILITIES	4	3,049,708.00	3,136,075.00
DEPOSITS	5	389,191.00	279,260.00
		25,047,002.00	26,412,381.00
<u>EMPLOYMENT OF CAPITAL</u>			
FIXED ASSETS	6	14,614,765.00	14,798,368.00
LONG-TERM DEBTORS	8	11,145.00	36,154.00
NET CURRENT ASSETS/(LIABILITIES)		10,421,091.00	11,577,859.00
CURRENT ASSETS		15,449,623.00	15,583,788.00
Inventory	9		
Short Term Investments	7	3,363,454.00	4,827,653.00
Debtors	10	12,063,922.00	10,732,606.00
Cash at Bank	22	22,247.00	23,529.00
CURRENT LIABILITIES		5,028,532.00	4,005,929.00
Provisions	11	695,615.00	635,558.00
Creditors	12	3,138,077.00	2,128,235.00
Loans-Short term portion	4	327,320.00	442,061.00
Bank Overdraft	22	867,520.00	800,075.00
		25,047,001.00	26,412,381.00

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 JUNE 2008

2007 ACTUAL R	<u>INCOME</u>	2008 ACTUAL R	2008 Budget R	2008 Surplus/(Deficit) R
20,711,132.00	Grants and Subsidies	20,937,863.00	28,894,244.00	-7,956,381.00
20,555,236.00	National Government	20,695,926.00	20,317,244.00	378,682.00
155,896.00	Provincial Government	21,906.00	8,397,000.00	-8,375,094.00
-	District Municipality	220,031.00	180,000.00	40,031.00
17,577,200.00	Operating Income	18,226,849.00	19,871,785	-1,644,934.00
4,244,861.00	Assessment rates	3,363,602.00	4,080,830	-717,227.00
-	Water Sales	-	-	-
6,258,409.00	Electricity Sales	6,931,032.00	5,408,132	1,522,900.00
-	Refuse Removal	3,418,059.00	6,531,309	-3,113,249.00
7,073,930.00	Other Income	4,514,156.00	3,851,514	662,642.00
378,018.00	Interest Earned	3,473,740.00	1,365,795.00	2,107,945.00
38,666,350.00	Total Income	42,638,452.00	50,131,823.00	-7,493,370.00
	<u>EXPENDITURE</u>			
11,791,854.00	Salaries, Wages and Allowances	13,198,684.00	12,901,247.00	-297,436.00
1,793,111.00	Councilor Remuneration	2,981,903.00	1,775,982.00	-1,205,921.00
14,674,910.00	General Expenditure	16,789,173.00	19,254,799.00	2,465,626.00
-	Water Purchases	-	-	-
4,356,157.00	Electricity Purchases	4,542,993.00	4,421,000.00	-121,993.00
1,517,141.00	Repairs and Maintenance	2,309,239.00	2,591,262.00	282,023.00
1,774,175.00	Capital Charges	1,102,471.00	454,377.00	-648,094.00
167,931.00	Contributions to Funds	4,432,967.00	2,265,458.00	-2,167,509.00
105,529.00	Contributions to Capital Outlay	14,235.00	6,467,698.00	6,453,463.00
36,180,808.00	Gross Expenditure	45,371,665.00	43,664,125.00	4,760,159.00
3,916,526.00	Less Amounts Charges out	-	-	-
32,264,282.00	Net Expenditure	45,371,665.00	50,131,823.00	4,760,159.00
	Nett Deficit	-2,733,211.00	0	-2,733,211.00

CASH FLOW STATEMENT FOR THE YEAR ENDING 30TH JUNE 2008

	NOTE	2008 R	2007 R
CASH FLOW FROM OPERATING ACTIVITIES		8,631,576.00	14,013,110.00
Cash utilised by operations	18	2,530,303.00	-2,626,081.00
Investment Income		-609,308.00	378,018.00
Increase/Decrease in Working Capital	19	-186,535.00	7,986,085.00
		1,734,460.00	5,738,022.00
Less: External Interest paid		-455,850.00	-465,012.00
Cash utilised by operations		1,278,610.00	5,273,010.00
Proceeds on disposal of Fixed Aseets		-	2,549,789.00
Other contributions from the Public and State		-	
Capital contributions from the Public and State		7,352,967.00	6,190,311.00
CASH UTILISED IN INVESTING ACTIVITIES			
Investments in Fixed Assets		-7,367,203.00	-9,707,991.00
Housing development for low income group			
NET CASH FLOW		1,264,373.00	4,305,119.00
CASH EFFECTS OF FINANCING ACTIVITIES			
(Decrease)/Increase in Long-term Loans	4	-201,109.00	-2,048,073.00
Decrease/(Increase) in Cash investments	19	1,464,199.00	3,159,182.00
Decrease/(Increase) in Cash	20	1,282	902,136
NET CASH GENERATED(UTILISED)		1,264,372.00	4,305,119.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2008

	2008 R	2007 R
1 STATUTORY FUNDS		
Consolidated Capital Development Fund	9,812,527.00	8,372,951.00
Public Improvement Fund	6,714,627.00	8,235,545.00
(See Appendix A for more detail)	16,527,154.00	16,608,496.00
2 TRUST FUNDS		
Ncotshane Peoples Housing Project	-3,262,979.00	-3,049,072.00
Traditional Affairs: Office Furniture	-	-
Agricultural Cluster LED	-	-
(See Appendix A for more detail)	-3,262,979.00	-3,049,072.00
3 RESERVES		
General		
Uniforms for Staff	10,412.00	-2,031.00
Insurance Reserve	200,114.00	200,114.00
	210,526.00	198,083.00
Grants Conditional		
Water Meters	-	-
Peace Initiative	-	-
Land Use management	-	225,508.00
Disaster Management Grant	-	-
GIS Grant	-	-
Performance Management Grant	27,788.00	19,536.00
IDP Capacity Grant	16,858.00	16,858.00
Ncotshane New Library	-	-
MAP	438,430.00	1,762,299.00
Financial Management Grant	289,784.00	508,170.00
MFMA	139,996.00	145,000.00

Notes Continued	2008 R	2007 R
Develop Admin. Capacity	105,866.00	255,640.00
Property Rates Implementation	1,250,804.00	279,923.00
Inter Departmental Monitoring	-	61,167.00
Pongolapoortdam Development	453,209.00	80,862.00
Community Dev. Workers Grant	-	-
DBSA Planing Grant	-	-
Housing SP Community Gardens	101,761.00	103,242.00
Planning and Development	88,611.00	88,611.00
Municipal Financial Systems	-	184,868.00
Municipal Infrastructure Grant	1,309,818.00	1,476,857.00
Municipal Sustems Improvement Grant	24,789.00	-3,564.00
Synergistic Partnership	392,644.00	
Candover Tourism Center	798,355.00	
Strategy Support	100,000.00	
MCPD Grant	100,000.00	
Vat Reserves Other	46,836.00	
Vat Reserves MIG	1,018,209.00	
Backlog Study Grant	90,070.00	
Integration and Reds Grant	98,000.00	150,000.00
(See Appendix A for more detail)	5,978,972.00	2,677,606.00
	6,189,498.00	2,875,689.00
4 LONG TERM LIABILITIES		
Annuity Loans	3,377,027.00	3,578,136.00
	-327,320.00	-442,061.00
Less: Current portion transferred to current liabilities		
	3,049,707.00	3,136,075.00
(See Appendix B for more detail)		
5 CONSUMER DEPOSITS		
Water Services	-	-
Electricity Services	381,341.00	277,010.00
Surety Deposit	2,250.00	2,250.00
Municipal Buildings rent deposits	5,600.00	-
	389,191.00	279,260.00

Notes Continued	2008 R	2007 R
6 FIXED ASSETS		
Fixed assets at the beginning of the year	55,022,965.00	67,792,245.00
Capital outlay during the year	7,367,203.00	9,707,991.00
	62,390,168.00	77,500,236.00
Less: Assets written off, transferred or disposed of during the year	-	-
		22,477,271.00
Total Fixed Assets	62,390,168.00	55,022,965.00
Less: Loans redeemed and other capital receipts	47,775,403.00	40,224,598.00
Nett Fixed Assets	14,614,765.00	14,798,367.00
(See Appendix C for more detail)		
7 INVESTMENTS		
Unlisted		
Short term Deposits	3,363,454.00	4,827,653.00
Total Investments	3,363,454.00	4,827,653.00
Management's valuation of unlisted investments	3,363,454.00	4,827,653.00
Average gross rate of return on investments	5.70%	5.70%
Local Authorities are required to invest funds which are not immediately required , with perscribed institutions and the period should be such that it would not be neccesary to borrow funds against the investment at a penalty rate to		
No investments have been written off during the year		
8 LONG TERM DEBTORS		
Sale of Erven Pongola	11,145.00	-
	-	-
Security Deposits	-	36,154.00
	11,145.00	36,154.00
(Development Costs transferred to Assets)		
9 INVENTORY		
Inventory represents consumable stores	-	-
The Municipality is currently not operating any stores, and all the consumables are debited to the respective operating accounts when paid.		

Notes Continued		2008 R	2007 R
10 DEBTORS		23,308,078.00	20,146,652.00
Consumers Debtors		23,308,078.00	9,554,409.00
Rates	R10,513,342	-	9,360,994.00
Refuse		-	-
Sundry	R 1,250,364	-	1,231,249.00
Electricity	R 887,329	-	-
Prepayment	R 1,136		-
Other Current Debtors		922,732.00	2,850,302.00
Billing Debtors		-	2,130,037.00
Miscellaneous		922,732.00	12,195.00
SARS - VAT		-	708,070.00
		24,230,810.48	22,996,953.57
Less: Provision for bad Debt		12,166,888.09	12,264,348.00
		12,063,922.39	10,732,605.57
Days outstanding in debtors amount to		610.00	467.70
11 Provisions			
Leave Pay		695,615.20	635,558.00
(See Appendix B for more detail)		695,615.20	635,558.00
12 CREDITORS			
Trade creditors		1,362,379.88	827,433.00
Retentions MIG		86,638.80	
Debtors Unclaimed Deposits		19,433.82	
Ncotshane hall deposit		800.00	
SARS - VAT		1,668,824.72	1,300,802.00
		3,138,077.22	2,128,235.00

Notes Continued		2008 R	2007 R
13 ASSESSMENT RATES			
General rate (cents in Rand)			
Land		0.15388	0.13451
Improvements		0.00530	0.00463
Property Valuation		-	-
Land		43,487,600.00	137,116,640.00
Improvements		180,045,500.00	653,526,320.00
Rates Income		-	-
General		3,363,602.23	4,244,861.00
Assessment rates are based on the valuation rating system. Property valuations are done every 5 years. The last valuation came into effect on 1 July 1999. Exemption is approved pending the implementation of the Property Rates Act.			
14 COUNCILLORS REMUNERATION			
Mayor's Allowances	1	244,161.40	153,521.00
Deputy Major's Allowances	1	195,328.55	110,205.00
Speakers Allowances	1	195,328.55	122,233.00
Executive Committee Allowances	2	366,242.10	146,028.00
Councilor's Allowances	17	2,264,036.00	878,893.00
	22	3,265,096.60	1,410,880.00
15 AUDITOR'S REMUNERATION			-
Current Year		784,780.63	1,086,438.00

Notes Continued		2008 R	2007 R
16 FINANCE TRANSACTIONS			
External Interest earned or paid		-	-
Interest Earned		3,473,740.24	378,018.00
Interest Paid		599,566.76	625,419.00
Capital charges debited to opearing account			
Interest		455,850.32	465,012.00
External		143,716.44	160,407.00
Internal			
Redemption		289,735.16	519,122.00
External		183,603.18	327,320.00
Internal			
		1,072,905.10	1,471,861.00
17 APPROPRIATIONS			
Appropriation Account			
Accumulated surplus at the beginning of the year		3,884,564	5,901,979
Operating surplus (deficit) for the year		(2,733,211)	6,402,068
Appropriations for the year		90,222	(8,419,483)
Prior year adjustments			
Provision for Bad Debts			
Accumulated surplus/(deficit) at the end of the year		1,241,575	3,884,564
Operating account			
Capital Expenditure		14,235	105,529
Contributions to Provisions		3,839,197	167,931
Bad Debts		3,779,140	-
Leave Payments		60,057	167,931
Contributions to Capital Development Fund			-
Contributions to Reserves			-
		3,853,432	273,460

Notes Continued	2008 R	2007 R
18 CASH GENERATED BY OPERATIONS		
Surplus/(Deficit) for the year	(2,733,211)	6,402,068
Previous years operating transactions	90,222	(8,419,483)
Appropriations charged against income:	3,853,432	273,460
Capital Development Fund	-	-
Provisions and Reserves	3,839,197	167,931
Fixed Assets	14,235	105,529
	-	-
	1,072,905	1,471,861
Capital Charges	-	-
Interest Paid	143,716	160,407
- Internal Funds	455,850	465,012
- External Loans	-	-
Redemption	183,603	327,320
- Internal Advances	289,735	519,122
- External Loans	-	-
Investment income (Operating Account)	(609,308)	(378,018)
Internal Interest Transferred to operating Account	-	-
Non-Operating Income	-	-
Statutory Funds	(143,716)	(300,556)
Housing Operating Account	-	-
Provisions & Reserves	11,550,787	10,896,373
Non-Operating Expenditure	-	-
Funds, Reserves & Provisions	(10,550,808)	(12,571,786)
	-	-
	2,530,303	(2,626,081)
	-	-

Notes Continued		2008 R	2007 R
19 (INCREASE)/DECREASE IN WORKING CAPITAL			
(Increase)/Decrease in Inventory		(1,331,316)	6,615,326
(Increase)/Decrease in Debtors		25,009	938,568
Decrease/(Increase) in Long Term Debtors		1,009,842	464,653
Increase/(Decrease) in Creditors		109,931	(32,463)
Increase/(Decrease) in consumer Deposits		-	-
		(186,535)	7,986,084
20 INCREASE/(DECREASE) IN LONG TERM LOANS(EXTERNAL)			
Loans Raised		-	-
Loans Repaid		(289,735)	(519,122)
		(289,735)	(519,122)
21 (INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS			
Investments Made		18,511,588	33,049,613
Investments Realised		20,546,819	29,890,431
		2,035,231	-3,159,182
22 (INCREASE)/DECREASE IN CASH ON HAND			
Cash beginning of the year		(776,544)	125,592
Cash and Cash equivalents at end of the year		(845,273)	(776,544)
		68,729	902,136
(Notes continued)			

Notes Continued		2008 R	2007 R
23	TRANSACTIONS IN THE CAPITAL DEVELOPMENT FUND AND PUBLIC IMPROVEMENT FUND RELATING TO PRIOR YEAR		
	The balances of 2006/2007 were brought into the financial system in the format of Grap Reporting. The Financial statements were prepared in IMFO format. Certain reclassifications had to be made for the 2006/2007 comparative figures and notes, to be as was reflected on the IMFO Financial Statements 2007. Refer Appendix 'a' classed as transfers. These do not represent any movement for the 2008 financial year but simply a reclass of opening trial balances entries back to imfo format. The only movement within this financial year was interest earned on advances from the CDF totalling an amount of R143 716		
24	CONTINGENT LIABILITIES		
	NONE	0	0
25	CAPITAL COMMITMENTS		
	Commitments in respect of Capital Expenditure	0	0
26	CONSOLIDATED DEVELOPMENT FUND		
	Outstanding advances to Borrowing Services		
	Accumulated Fund	9812527	8372951
	Less: External Investments		
	Internal Loans	2868281	2955367
	Temporary Borrowings	213907	4809364
	(refer Appendices A & B for more detail)	6730339	608220
27	PUBLIC IMPROVEMENT FUND		
	Outstanding advances to Borrowing Services		
	Accumulated Fund	17025969	18509582
	Less: Improvements	10274038	10274037
	Temporary Borrowings	0	5825904
	(refer Appendices B for more detail)	6751931	2409641

Notes Continued		2008 R	2007 R
28 HOUSING OPERATING ACCOUNT			
Outstanding advances to Borrowing Services			
Accumulated Fund		-24560	-24560
Represented by:			
Housing Debtors		-3262979	-3024512
(refer Appendices B for more detail)		-3287539	-3049072
29(1) SALARIES, ALLOWANCES AND BENEFITS OF MANAGEMENT			
Salaries			
Municipal Manager		509,873	447,324
Chief Fianancial Officer		106,698	99,254
Director: Corporate Services		379,397	325,951
Director Community Services		323,194	300,646
		0	0
		1,319,163	1,173,175
Contribution to pension: Employees		772,076	718,210
Contribution to pension: Councillors		33,844	31,483
Contribution to medical aid: Employees		408,387	379,895
Contribution to medical aid: Councillors		14,281	13,285
		1,228,588	1,142,873
29(2) COUNCILLOR CONSUMER ACCOUNT ARREARS			
Amounts due on consumer accounts of Councillors are deducted monthky from their allowances			
Council consumer accounts amount to		0	0

Notes Continued		2008 R	2007 R
30 BANK ACCOUNTS			
Absa Investm 9057789072		16,378	5,484
Call Acc 62027890228		92,233	528,567
Map Investm- 6203137938		578,444	15,492
Mig Investm -62136676460		0	65,822
Money Market-		97,376	102,394
FMG Investment 62136676551		554,374	2,767,135
Investment 52120740932		0	0
Money market call		1,392,837	836,546
Mig Investment 62136676460		631,812	506,212
Bank account chq account		22,247	0
		3,385,700	4,827,653
31 GUARANTEES : ABSA			
1st Commercial Mortgage Bond for R30 Million over REM of erf 61 Pongola, Kwazulu Natal:-			
Commercial Bond: R2 724 000.00 see long term loans guarantees - R11 000.00			
Eskom Guarantee: R10 200.00			
32 RETIREMENT BENEFITS			
Employees and Councillors belong to the following retirement Funds:			
(i) Natal Joint Municipal Pension Fund (retirement)			
(ii) Natal Joint Municipal Pension Fund (superannuation)			
(iii) Natal Joint Municipal Pension Fund (provident)			
(iv) Municipal Gratuity Fund			
(v) Municipal Employees Pension Fund			
(vi) Government Employees Pension Fund			
(vii) Municipal Councillors Pension Fund			
The retirement plan is subject to the Pension Fund Act 1956 with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service costs.			
Full actuarial valuation are performed at least every three years. The latest independent valuation of the funds, which indicated that the funds were in a sound financial position, was undertaken on 31 March 2007.			

uPHONGOLO LOCAL MUNICIPALITY

APPENDIX A : STATUTORY, RESERVE AND TRUST FUNDS, AND PROVISIONS

	Balance as at 01 July 07	Interest Received	Reallocated	Expenditure 2008	Balance as at 30 June 08
STATUTORY FUNDS	-	-	-	-	-
Capital Development Fund	8,372,951	143,716	1,295,859	-	9,812,527
- Rate & General Services	8,372,951	143,716	1,295,859	-	9,812,527
- Water & Sewerage					
- Electricity					
	-	-	-	-	-
Public Improvement Fund	8,235,545	-	-1,295,859	-	6,939,686
Borrowings	-	-	-187,755	-	-187,755
	16,608,496	143,716	-187,755	-	16,564,458
		-	-	-	-
TRUST FUNDS	-	-	-	-	-
Ncotshane Peoples Housing Project	-3,049,072	-	-	213,907	-3,262,979
Traditional Affairs: Office furniture	-	-	-	-	-
Agricultural Cluster LED	-	-	-	-	-
	-3,049,072	-	-	213,907	-3,262,979
	-	-	-	-	-
RESERVES	-	-	-	-	-
Uniforms for staff	-2,031	-	-	-12,443	10,412
Insurance Reserve	200,114	-	-	-	200,114
	198,083	-	-	-12,443	210,525
	-	-	-	-	-

uPHONGOLO LOCAL MUNICIPALITY

APPENDIX A : STATUTORY, RESERVE AND TRUST FUNDS, AND PROVISIONS - continue

GRANTS CONDITIONAL	-	-	-	-	-
Land Use Management Plan	225,508	-	-	225,508	-
Disaster Management Grant	-	-	-	-	-
GIS Grant	-	-	-	-	-
Performance Management Grant	19,536	-	-	-8,253	27,788
IDP Capacity Grant	16,858	-	-	-	16,858
Ncotshane New Library	-	-	-	-	-
MAP	1,762,299	500,000	-46,836	1,777,033	438,430
Financial Management Grant	500,000	500,000	-	718,386	281,614
Financial Management Grant ZDM	8,170	-	-	-	8,170
MFMA	145,000	-	-	5,004	139,996
Develop Admin. Capacity	255,640	-	-	149,774	105,866
Property Rates Implementation	14,923	-	-	14,923	-
Inter Departmental Monitoring	61,167	-	-	61,167	-
Pongolapoortdam Development	80,862	777,852	-	405,505	453,209
Community Dev. Workers Grant	-	-	-	-	-
DBSA Planning Grant	-	-	-	-	-
Housing SP Community Gardens	103,242	-	-	1,482	101,761
Planning & Development	88,611	-	-	-	88,611
Municipal Financial Systems	184,868	-	-	184,868	-
Municipal Systems Improvement Grant	-	-	-	-	-
Municipal Infrastructure Grant	1,476,857	8,124,094	-1,018,209	7,272,924	1,309,818
Mig Surety	-	-	-	-	-
Municipal Systems Improvement Grant	-3,564	-	-	-28,354	24,789
Valuation Roll Grant	265,000	-	-	-985,804	1,250,804
Integration and Reds Grant	150,000	-	-	52,000	98,000
Candover tourism grant	-	800,000	-	1,645	798,355
Mig vat reserves	-	-	1,018,209	-	1,018,209
Other vat reserves	-	-	46,836	-	46,836
Synergistic Partnership	-	500,000	-	107,357	392,644
MBCD	-	100,000	-	-	100,000
Backlog Study	-	148,841	-	58,772	90,070
Strategic Support	-	100,000	-	-	100,000
	5,354,976	11,550,787	0	10,013,936	6,891,828
PROVISIONS	-	-	-	-	-
Leave Pay	635,558	-	-	-60,057	695,615
	19,748,041	11,694,504	-187,755	10,155,343	21,099,447

uPHONGOLO LOCAL MUNICIPALITY

APPENDIX: B EXTERNAL LOANS AND INTERNAL ADVANCES

		Loan Amount	Interest Rate	Term years	Final Date	Balance 01 July 2007	Received during the year	Redeemed or Written off during the year	Balance as at 30 June 08
		R	%age						
EXTERNAL LOANS		-			-		-	-	-
DBSA	Water	15,200	10.88%	30	2008/12/31	-	-	-	-
DBSA	Water	609,500	13.45%	30	2012/12/01	-	-	-	-
DBSA	Electricity	150,000	13.45%	25	2008/12/31	27,649	-	17,824	9,825
DBSA	Electricity	170,000	17.18%	25	2011/12/31	90,401	-	14,697	75,704
DBSA	Water	49,655	14.63%	25	2012/06/30	-	-	-	-
DBSA	Water	352,000	15.70%	25	2013/06/30	-	-	-	-
DBSA	Electricity	39,745	17.18%	25	2012/06/30	109	-	109	-
DBSA	Mun. Offices	900,000	15.80%	20	2013/06/30	565,070	-	62,073	502,997
DBSA	Water	2,130,000	14.35%	20	2014/12/31	-	-	-	-
DBSA	Mun. Offices	600,000	13.08%	15	2009/06/30	157,790	-	73,866	83,924
Nedbank	Roads	139,200	10.50%	3	2007/08/01	9,954	-	9,954	0
Nedbank	Corporate	139,200	10.50%	3	2007/08/01	9,954	-	9,954	0
Nedbank	Planning	139,200	10.50%	3	2007/08/01	9,954	-	9,954	0
Nedbank	Roads	139,200	10.50%	3	2007/08/01	9,954	-	9,954	0
ABSA	Mun. Offices	3,000,000	9.50%	10	2015/08/01	2,697,301	-	-7,277	2,704,578
						3,578,136		201,108	3,377,028
INTERNAL ADVANCES TO BORROWING SERVICES									
Internal Loans									
Capital Development	Sewerage Network	910,896	10.00%	10	2010/06/30	-	-	-	-
Capital Development	Municipal Buildings	300,000	10.00%	10	2010/06/30	121,417	-	36,682	84,735
Capital Development	Sport & Recreation	134,814	10.00%	10	2010/06/30	54,562	-	16,484	35,078
Capital Development	Official House erf 97	237,430	10.00%	10	2011/06/30	122,485	-	26,392	96,093
Capital Development	Sport & Recreation	67,720	10.00%	10	2011/06/30	34,936	-	7,528	27,408
Capital Development	Municipal Offices	1,191,507	10.00%	10	2015/06/30	1,103,764	-	1,076,356	1,103,764
Capital Development	Various-General	2,047,046	10.00%	10	2017/06/30	1,518,203	-	-	1,518,203
Capital Development	Various-Electricity	79,377	10.00%	10	2017/06/30	-	-	-	-
						2,955,367	-	1,163,442	2,868,281
						6,533,304	-	1,364,550	6,245,310

uPHONGOLO LOCAL MUNICIPALITY

APPENDIX C: ANALYSIS OF FIXED ASSETS

EXPENDITURE 2007	SERVICE	BUDGET 2008	Balance 01 July 2007	EXPENDITURE 2008	Redeemed or Transferred off during the year	Balance as at 30 June 08
7,680,402	RATES AND GENERAL SERVICES	6,367,698	41,842,476	7,367,203	-	49,209,679
7,527,495	Community Services	6,209,698	35,398,350	7,367,203	-	42,765,553
-	- Cemetery	-	-	-	-	-
-	- Belgrade	-	-	2,018	-	2,018
-	- Civil Defence	-	55,720	-	-	55,720
-	- Stores	-	1,708	-	-	1,708
-	- Community Hall	-	-	-	-	-
25,968	Parks & Grounds	-	169,627	-	-	169,627
189,942	Council General	-	362,790	-	-	362,790
-	- Municipal Manager	-	202,003	-	-	202,003
6,529,988	Roads	-	16,617,517	7,272,924	-	23,890,441
62,802	Town Treasurer	16,698	550,806	80,044	-	630,850
-	- Corporate	-	-	-	-	-
27,423	Municipal Land	-	114,309	-	-	114,309
-	- Airport	-	340,286	-	-	340,286
4,087	Traffic	-	409,364	-	-	409,364
Continued.....						
502,270	Workshop	-	510,815	-	-	510,815
-	- Caravan Park	-	308,039	-	-	308,039
-	- Municipal Buildings	-	3,467,666	-	-	3,467,666
185,015	Municipal Offices	8,000	11,926,937	-	-	11,926,937
-	- Pound	135,000	-	-	-	-
-	- Belgrade MPCC	6,050,000	-	-	-	-
-	- Project Management	-	-	12,218	-	12,218
-	- Planning & development	-	-	-	-	-
-	- Technical Officer	-	360,763	-	-	360,763
-	-	-	-	-	-	-
124,077	Subsidised Services	-	3,435,882	-	-	3,435,882
8,149	Library	-	2,146,569	-	-	2,146,569
-	- Health	-	2,575	-	-	2,575
-	- Tourism	-	-	-	-	-
115,928	Sport & Recreation	-	1,286,738	-	-	1,286,738
-	-	-	-	-	-	-
28,830	Economic Services	158,000	3,008,244	-	-	3,008,244
-	- Licensing	-	152,050	-	-	152,050
28,830	Testing Grounds	150,000	1,656,277	-	-	1,656,277
Continued.....						
-	- Sewerage	-	-	-	-	-
-	- Refuse	8,000	1,199,917	-	-	1,199,917
-	-	-	-	-	-	-
133,641	TRADING SERVICE	-	2,906,451	-	-	2,906,451
90,450	Electricity	-	1,591,072	-	-	1,591,072
43,191	Water	-	1,315,379	-	-	1,315,379
1,893,948	PUBLIC IMPROVEMENT FUND	-	10,274,038	-	-	10,274,038
9,707,991	TOTAL FIXED ASSETS	6,367,698	55,022,964	7,367,203	-	62,390,168
LOANS REDEEMED AND OTHER CAPITAL RECEIPTS			40,224,598	7,550,805	-	47,775,403
-	-		-	-	-	-
Loans redeemed			3,918,949	183,603	-	4,102,552
Contribution from operating income			10,138,664	14,235	-	10,152,899
Fund Contribution			8,252,674	-	-	8,252,674
Grants and Subsidies			17,914,311	7,352,967	-	25,267,278
-	-		-	-	-	-
NET FIXED ASSETS			14,798,368	-183,602	-	14,614,766

uPHONGOLO LOCAL MUNICIPALITY

APPENDIX D: ANALYSIS OF OPERATING INCOME AND EXPENDITURE

ACTUAL 2007		ACTUAL	Budget	Surplus/(deficit)
	INCOME			
20,711,132	Grants and Subsidies	20,937,863	28,894,244	-7,956,381
20,555,236	National Government	20,695,926	20,317,244	378,682
155,896	Provincial Government	21,906	8,397,000	-8,375,094
-	District Municipality	220,031	180,000	40,031
-	-	-	-	-
17,577,200	Operating Income	18,226,850	19,871,784	-1,644,934
4,244,861	Assessment rates	3,363,602	4,080,830	-717,227
-	Water Sales	-	-	-
6,258,409	Electricity Sales	6,931,032	5,408,132	1,522,900
-	Refuse Removal	3,418,059	6,531,309	-3,113,249
7,073,930	Other Income	4,514,156	3,851,514	662,642
-	-	-	-	-
378,018	Interest Earned	3,473,740	1,365,795	2,107,945
-	-	-	-	-
38,666,350	Total Income	42,638,453	50,131,823	-7,493,370
Continued.....				
	EXPENDITURE			
11,791,854	Salaries, Wages and Allowances	13,198,684	12,901,247	-297,436
1,793,111	Councillor Remuneration	2,981,903	1,775,982	-1,205,921
14,674,910	General Expenditure	16,789,173	19,254,799	2,465,626
-	Water Purchases	-	-	-
4,356,157	Electricity Purchases	4,542,993	4,421,000	-121,993
1,517,141	Repairs and Maintenance	2,309,239	2,591,262	282,023
1,774,175	Capital Charges	1,102,471	454,377	-648,094
167,931	Contributions To Funds	4,432,967	2,265,458	-2,167,509
105,529	Contributions to Capital Outlay	14,235	6,467,698	6,453,463
-	-	-	-	-
36,180,808	Gross Expenditure	45,371,664	50,131,823	4,760,159
	-			
3,916,526	Less: Amounts Charges out			
32,264,282	Net Expenditure	45,371,664	50,131,823	4,760,159
-	Nett Deficit	-2,733,211	0	-2,733,211

uPHONGOLO LOCAL MUNICIPALITY

APPENDIX E: ANALYSIS OF OPERATING INCOME AND EXPENDITURE

ACTUAL INCOME 2007	ACTUAL EXPENDITURE 2007	SURPLUS/(DEFICIT) 2007		ACTUAL INCOME 2008	ACTUAL EXPENDITURE 2008	SURPLUS/(DEFICIT) 2008	BUDGET 2008
R	ACTUAL R	R		R	R	R	R
32,349,908	26,182,428	6,167,480	RATES AND GENERAL SERVICES	34,415,666	38,211,945	-3,796,279	582,050
-	-	-		-	-	-	-
27,204,969	18,895,836	8,309,133	Community Services	24,829,223	28,627,586	-3,798,363	720,488
-	-	-	Assessment Rates	6,676,206	2,610,467	4,065,739	4,592,034
189,066	1,002,724	-813,658	Belgrade	120,362	1,359,718	-1,239,357	-1,101,584
32,249	2,193	30,056	Caravan Park	23,574	-	23,574	2,019
40,476	881,075	-840,599	Cemetery	96,259	718,079	-621,820	-523,711
739	1,598,690	-1,597,951	Corporate Service	-	2,086,383	-2,086,383	-1,951,877
-	4,513,996	-4,513,996	Council General Expenses	3,168,414	6,470,880	-3,302,466	-2,258,845
-	901,481	-901,481	Housing	-	39,866	-39,866	-130,668
-	-390,905	390,905	Human Resources	-	342,940	-342,940	-307,768
80,780	1,402,684	-1,321,904	Municipal Buildings	-941,575	1,663,236	-2,604,811	-580,440
520,978	54,889	466,089	Municipal Land	775,904	227,984	547,919	-327,896
-	691,871	-691,871	Municipal Manager	-	663,682	-663,682	-616,224
-	88,684	-88,684	Municipal Offices	-	858,718	-858,718	-595,162
-	630,159	-630,159	Parks & Gardens	-	1,001,075	-1,001,075	-854,427
-	835,950	-835,950	Planning & Development	38,272	904,114	-865,842	-1,359,835
-	-	-	Pound	-	24,203	-24,203	-297,264
-	-	-	Pongolapoort Dam	-	-	-	30,744
-	-	-	Project Management	753,793	1,043,998	-290,206	255,190
-	1,767,713	-1,767,713	Roads & Stormwater	-	3,272,197	-3,272,197	-2,899,920
116,026	1,105,532	-989,506	Technical Officer	7,750	1,131,917	-1,124,167	-1,012,804
26,224,655	3,653,409	22,571,246	Town Treasurer	14,110,265	3,613,476	10,496,790	11,218,014
-	155,691	-155,691	Workshop	-	594,653	-594,653	-559,087

uPHONGOLO LOCAL MUNICIPALITY

APPENDIX E INCOME STATEMENT Continued....

ACTUAL INCOME 2007	ACTUAL EXPENDITURE 2007	SURPLUS/(DEFICIT) 2007		ACTUAL INCOME 2008	ACTUAL EXPENDITURE 2008	SURPLUS/(DEFICIT) 2008	BUDGET 2008
2,035,825	4,610,931	-2,575,106	Subsidised Services	2,698,786	5,856,612	-3,157,826	-3,638,375
-	-	-		-	-	-	-
-	7,754	-7,754	Aerodrome	-	15,428	-15,428	-128,257
-	-	-	Belgrade MPCC	-	-	-	225,000
-	218,469	-218,469	Fire Brigade/Disaster Management	-	480,954	-480,954	-713,080
-	1,400	-1,400	Health	-	-	-	-
-	938,179	-938,179	Library	810	756,563	-755,753	-763,648
25,529	289,072	-263,543	Sport & Recreation	31,936	310,667	-278,731	-342,399
1,620,181	1,229,153	391,028	Testing Grounds	2,050,609	1,340,311	710,298	296,734
-	255,610	-255,610	Tourism	220,031	190,121	29,910	-65,827
390,115	1,671,294	-1,281,179	Traffic	395,400	2,762,568	-2,367,168	-2,146,898
-	-	-		-	-	-	-
3,109,114	2,675,661	433,453	Economic Services	6,887,657	3,727,747	3,159,910	3,499,937
-	-	-		-	-	-	-
3,109,114	2,675,661	433,453	Refuse	6,887,657	3,724,779	3,162,878	3,572,085
-	-	-	Sewerage	-	2,968	-2,968	-72,148
-	-	-		-	-	-	-
6,316,442	6,081,854	234,588	TRADING SERVICES	8,205,804	7,142,736	1,063,069	-582,050
-	-	-		-	-	-	-
6,316,442	6,081,854	234,588	Electricity	8,205,804	7,022,936	1,182,868	-345,075
-	-	-	Water	-	119,800	-119,800	-236,975
38,666,350	32,264,282	6,402,068	TOTAL	42,621,470	45,354,681	-2,733,211	0
			-8,419,483 Appropriations for the year			90,223	
			-2,017,415 Net deficit for the year			-2,642,988	
			5,901,979 Accumulated surplus beginning of the year			3,884,563	
			3,884,564 Accumulated surplus end of the year			1,241,575	

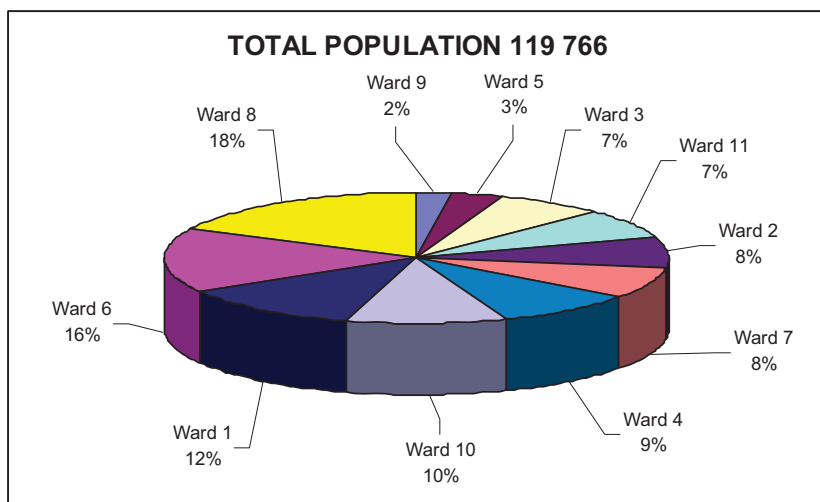
uPHONGOLO MUNICIPALITY

APPENDIX: F

Financial year ending 30th June 2008.

GENERAL STATISTICS:

Population according to Stats SA 119 766



Source: Census 2001

Valuation Roll

Land – 43487600

Improvements – 180045500

Land Assessment rate/improvements 0.153879; 0.005302

Number of properties 3 568

ELECTRICITY STATISTICS:

Units purchased (MWh)	23576051.72
Units sold (Total MWh)	21945622
Units lost in distribution (MWh)	1630429.72
Percentage loss in distribution (MWh)	6.915618185
Expenses	6030301.65

Units Costs

0.315

REFUSE:

Businesses	210
Residential	2976

ROAD INFORMATION:

Belgrade	144 kms
Ncotshane	120 kms
Pongola	33 kms
Magudu	17 kms
Golela	11 kms
Rural	Unnumbered

Building Plans approved	78
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REGISTRATION – KZN 262 (uPHONGOLO)

DISTRICT MUNICIPALITY – DC 26 ULUNDI

Number of Employees (including temporary Staff and Contractual Appointments)	290
--	-----

11. REPORT ON AUDIT AND RISK MANAGEMENT COMMITTEE

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Membership

The uPhongolo Municipality has an Audit and Risk Management Committee set up in accordance with the prescripts of the Municipal Finance Management Act. No. 56 of 2003, section 166. The Committee comprises of two independent members, who are not in the employ of the uPhongolo Municipality, nor are they political office bearers.

The Chairperson of the Audit Committee is an independent person who is knowledgeable of the status of the position and has the requisite legal, business and leadership skills. The Committee operates in terms of written terms of reference approved by the municipality's Accounting Officer and Council's Executive Committee, which is in accordance with best practice.

Audit Committee members and attendance

The Committee performs its responsibilities as required in terms of the Municipal Finance Management Act (MFMA), as well as the code of Corporate Governance. The Audit Committee meets a minimum of four (4) times during a financial year. For the financial year ending 30 June 2008, the Committee has reviewed and/ or advised on matters relating to:

The adequacy, reliability and accuracy of financial reporting and information;
The activities and effectiveness of internal audit function;
The accounting and auditing concerns identified as a result of the internal or external audits;
The effectiveness of the internal control systems;
Risk Management;
Compliance with the MFMA and other applicable legislation;
Performance Management; and
Reports on forensic investigations.

Internal Audit

The uPhongolo Municipality has a system of Internal Audit under the control and direction of its Audit and Risk Committee. Based on the results of assurance work carried out by the Internal Audit unit, there are areas where the internal control systems have been identified as weak. The weaknesses in internal control systems have been brought to the attention of management to take corrective measures.

Performance Management

The municipality made significant changes to the organizational scorecard which was as a direct result of the changes in the applicable National Treasury regulations. The scorecard has also been revised to ensure alignment to the Integrated Development Plan (IDP) of the Municipality. Systems are being implemented to monitor organizational and individual performance.

Risk Management

The Audit and Risk Management Committee will, in terms of its authority delegated by Council, facilitate the development of a formal Risk Management Framework and Strategy. The results of the risk assessments should be used to direct internal audit efforts and priorities, and to determine the skills required of managers and staff to improve controls and to manage these risks.

Management has formed an Operational Risk Management Committee (Risk Sub Committee) chaired by the Chief Financial Officer. The aim of the Risk Sub Committee is to implement the risk management strategies and give feedback to the Audit and Risk Management Committee on a regular basis. The risk register will be updated regularly with identified and new emerging risks including the risk mitigating responses and action plans.

Review of annual financial statements for the year ending 30 June 2008

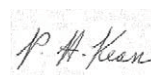
The Chairperson has evaluated the annual financial statement of the uPhongolo Municipality, for the year ended 30 June 2008. The Chairperson concluded that these financial statements comply, in all material respects, with the requirements of the Municipal Finance Management Act.

The review of annual financial statements pays specific attention to:

- Underlying accounting policies or changes thereto;
- Major estimates and managerial judgments;
- Significant adjustments flowing from the year end audit;
- Compliance with the MFMA and other statutory precepts;
- The appropriateness of the going concern assumption; and
- The report of the Auditor-General for the year.

Going concern assumption

The Audit and Risk Committee agrees that the adoption of the going concern assertion is appropriate in preparing the annual financial statements of the Municipality. The Committee has therefore recommended the adoption of the annual financial statements by the Council of uPhongolo Municipality.



P H KEAN
Chairperson: Audit Committee
uPhongolo Municipality

12. FREE BASIC ELECTRICITY

uPhongolo Local Municipality provides the following services to indigent households:

Indigent: Rates and refuse	523
Indigent: Free Basic Electricity	1000
Indigent: Gel refill	606
	2129

The supply of free basic electricity to indigent households varies from month to month. The following schedule gives a break down of the total households supplied with Free Basic Electricity during the 2007/2008 financial year.

Jul-07	864
Aug-07	751
Sep-07	802
Oct-07	796
Nov-07	713
Dec-07	915
Jan-08	1023
Feb-08	1029
Mar-08	1020
Apr-08	764
May-08	882
Jun-08	1008

The rand value of the Free Basic Electricity supplied to indigent households during the 2007/2008 financial year totals R254 439.58

13. ALTERNATE ELECTRICITY

During 2007/2008 uPhongolo Municipality supplied 606 households with Gel, Gel stoves and lamps with oil to the value of R700 839.00 to the people in Ward 1.

14. AWARDING OF TENDERS

uPhongolo Municipality amended, approved and implemented its Supply Chain Policy during 2007. As per section 6 of the Supply Chain Management Policy of uPhongolo Municipality, a report was submitted to the Council pertaining to the implementation of the Supply Chain Management Policy and the awarding of tenders.

The Following Tender Committees were established within the Council, namely:

Bid Specification Committee
 Bid Evaluation Committee
 Bid Adjudication Committee

The uPhongolo Municipality went out on tender for various projects during the 2007/2008 financial year. The following tenders were awarded.

NAME OF PROJECT	NAME OF THE SERVICE PROVIDER WHO WERE AWARDED THE TENDER	AMOUNT TENDERED	DATE OF COMMENCEMENT	SPECIFIC CONDITIONS
Ring-fencing of transferred water and sanitation function to ZDM	Muntra	R 112 000.00	Jul-07	MAP Funding
Financial Statements	Muntra	R 319 200.00	Jul-07	Finance Management Grant
Provision of Guarding Services at Pongola, Ncotshane and Belgrade Offices	Big Star Security	R 883 039.00	Jun-08	The function was privatized due to it being more cost effective for the Municipality
Upgrading of De Waal Street	Aquason Construction	R2 964 031.50	Jun-08	MIG Funding
Pongolapoort Dam - Marketing Plan	PR Africa	R 500 000.00	Jun-08	Department of Local

15. AUDIT COMMITTEE

The function of the Audit Committee is done via a Shared Services Agreement between Zululand District Municipality, uPhongolo, Abaquluzi, Edumbe, Ulundi and Nongoma Municipality. The Committee is functional and met once (1) during the 2007/2008 financial year, due to the fact that a Chairperson was nominated late in the 2007/2008 Financial year.

16. SALARIES OF OFFICIALS AND ALLOWANCES OF COUNCILLORS AS PER SECTION 5219 OF THE CONSTITUTION

UPHONGOLO LOCAL LMUNICIPALITY - COUNCIL AND EMPLOYEE COSTS FOR THE YEAR ENDING 30 JUNE 2008				
	2008 R	2007 R	Variance	Reasons
Figure per Financial Statements:				
Analysis of figure above:				
Salaries	9,152,110.82	7,810,519.41	1,341,591.41	Increases in salaries as per annual increase-as well as positions of 3 HODs Filled CFO, Technical Manager and Community Services Manager(Promoted)(Number of permanent staff increased by 2 (Hods) from 07 to 08
Acting allowance	18,200.00	0.00	18,200.00	
Salaries temporary	731,964.30	1,372,997.76	-641,033.46	Many labour intensive projects were identified. Groups of Temporary staff were employed and worked in shifts of two weeks each on the community projects. This was an incentive driven by the Mayor. Unfortunately, due to financial constraints, this year it was not budgeted for.
Bonus	504,048.58	429,212.79	74,835.79	As a result of increase in annual salary and performance bonuses paid out to HODS (3)
Housing subsidy	28,287.61	16,908.54	11,379.07	Appointment of HODS with this perk
Housing allowance	0.00	13,554.52		
Telephone Allowance	0.00	2,156.20		
Overtime	1,072,659.10	785,854.05	286,805.05	Staff turnover-not all positions filled and overtime worked primarily to meet objectives and time constraints
Transport & Int.Subsidy	0.00	146,304.49		
Vehicle subsidy	379,433.90	-	379,433.90	Council approved that all Traffic officers be given a vehicle allowance to purchase their own vehicles for purposes of their work function to avoid purchasing vehicles from municipal funds and also to ensure that the vehicles are not misused.
Employee related costs	11,886,704.31	10,577,507.76	1,309,196.55	Although the overall increase in salaries as promulgated by SALGA for the year was 8.3%, the overall increase was 12% due to the above mentioned reasons.
	▲	▲		
			0.00	
Group life	49,720.83	44,362.00	5,358.83	Calulation based on higher salaries-refer above comments
Industrial council	3,791.72	3,444.00	347.72	Calulation based on higher salaries-refer above comments
Medical aid contribution	398,529.01	379,894.61	18,634.40	Although by reasoning, this should also have increased by the same margin since it is linked to the salary payment,there were Changes in Medical aid, some changes in the preferences of medical aid providers
Pension fund contribution	783,058.05	718,209.90	64,848.15	Calulation based on higher salaries-refer above comments
UIF	76,879.74	68,435.39	8,444.35	Calulation based on higher salaries-refer above comments
			0.00	
Employee related costs, social contributio	1,311,979.35	1,214,345.90	97,633.45	Overall Average increase for the year for reasons mentioned above.
Councillors allowance	2,938,875.80	1,373,358.80	1,565,517.00	Councillors allowances increased by 95% +the annual increase of 7.5%. This was a council resolution made in February of 2008 for the 07/08 financial year. Guidelines for the calculation was provided by treasury
Cellphone allowance	43,026.84	162,400.00	-119,373.16	Incorrect allocations- Included in the total backpay calculation to councillors allowances
Remuneration of councillors	2,981,902.64	1,535,758.80	1,446,143.84	Councillors increases of 95% of the total councillors allowances as provided by treasury-were accepted
	▲	▲		
TOTAL	16,180,586.30	13,327,612.46	2,852,973.84	Primarily due to councillor allowances and annual staff %age increments

17. GENERAL INFORMATION REQUIRED AS PER PROVINCIAL ASSESSMENT

- ❖ There were no delays or withholding of funds in terms of DORA or reasons therefore – NOT APPLICABLE
- ❖ There were no material losses/material irregular or fruitless and wasteful expenditure and no need for recovery of such.
- ❖ There were no criminal or disciplinary steps taken as a result of material losses/material irregular or fruitless and waste full expenditure.
- ❖ There were no material losses recovered or written off.
Any particulars of non-compliance with the MFMA - no findings as per Audit Report in this Annual Report indicating no non compliance.

18. GRANTS RECEIVED

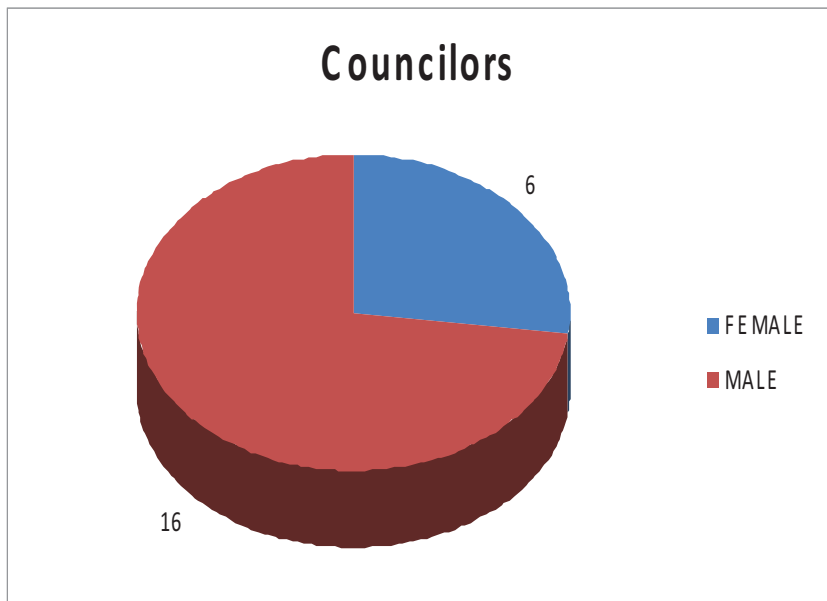
Grants Conditional	Department	2007	2008
Performance Management Grant	Corporate Services	27,788.00	19,536.00
IDP Capacity Grant	Strategic Planning	16,858.00	16,858.00
MAP	Finance Management	438,430.00	1,762,299.00
Financial Management Grant	Finance Management	289,784.00	508,170.00
MFMA	Finance Management	139,996.00	145,000.00
Develop Admin. Capacity	Corporate Services	105,866.00	255,640.29
Inter Departmental Monitoring	Tourism	-	61,166.73
DBSA Planning Grant	Housing	-	0.00
Housing SP Community Garden	IDP	101,761.00	103,242.39
Municipal Financial Systems	PMU	-	184,868.05
Municipal Infrastructure Grant	Finance Management	1,309,818.00	1,476,856.86
Synergistic Partnership	Tourism	392,644.00	0.00
Candover Tourism Center	IDP	798,355.00	0.00
Integration and Red's Grant	Electricity	98,000.00	150,000.00

KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

4.1 uPHONGOLO MUNICIPALITY – ORGANISATIONAL DESIGN

Council

The uPhongolo Local Municipality has 22 Councillors; 11 of them are Ward Councillors and the other 11 are proportional candidates elected to represent political parties on the basis of proportional representation. The term of office for a Councillor is five years and ends when the next Council is declared elected. Councillors are accountable to local communities and must report back at least quarterly to constituencies on Council matters, including the performance of the municipality in terms of the established indicators. In order to ensure that Councillors fulfill their obligations to the communities and support the achievement by the municipality of these objectives, all Councillors are subject to a code of Conduct.



4.2 FUNCTIONS AND POWER OF DIGNITARIES Mayor

The Honourable Mayor of the uPhongolo Local Municipality is the Chairperson of the Executive Committee. He performs the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the Municipal Council or Executive Committee.

Executive Committee

The Council established an Executive Committee comprising of 4 members. The Mayor, in conjunction with the Council decides when and where EXCO Meets. It is composed in the following Way: IFP 3 seats and ANC 1 seat.

The Executive Committee is the management or principle committee of the Municipality. It receives reports from other committees of Council and must forward these reports together with its recommendations to the full Council Meeting.

Supporting Committees

The Municipal Structures Act, Act No 117 of 1998 makes provision that a Council may establish Committees, so-called section 79 Committees.

The Council has four (4) Portfolio Committees and the Executive Committee member's serves as Chairpersons of the portfolio Committees.

Members of the Executive Committee are tasked with the responsibility of chairing the supporting committees.

- Finance Committee
- Human Resource/staff Committee
- Technical and infrastructure and planning Committee

- Social Community and LED Committee

92

These Committees meet at least once a month. They have certain delegated powers by which they take decisions on behalf of the Council, and are required to report and make recommendations to Council on matters falling within their spheres of operation.

OFFICE OF THE SPEAKER

The Local Government Municipal Structures Act, Act 117 of 1998 provides that each Municipal Council must have a chairperson who is called the Speaker. The Speaker is elected by the Council from among the Councillors at the first sitting of the council after the Local Government elections.

The Speaker acts as a chairperson at Council Meetings, and ensures the compliance of the Council's code of conduct, rules and orders. He or she also ensures the proper functioning of the legislative side of the Council, and is required to be impartial. The speaker also ensures community participation in legislative initiatives and should communicate with the public on the performance of the Council. The speaker has ex officio sitting in all committees of the Council, with no voting rights.

4.3 UPHONGOLO MUNICIPALITY - ADMINISTRATION

The Organogram operates with 4 departments, namely:

- 1 Municipal Manager
- 4 Departmental Managers
- 3 Assistant Departmental Managers

The four Departmental Managers include: Manager Corporate Services, Manager Technical Services, Manager Community Services and Manager Financial Services along with the Office of the Municipal Manager and the Office of the Mayor. We have a specialized workforce, with a total staff complement of 209 employees, and 111 temporary employees as a form of job creation and to alleviate poverty. uPhongolo Local Municipality has finalized its organogram in October 2003, and the organogram is revised each year during the preparation period of the Budget. All employees have since been

placed in terms of the organogram. The organogram is currently under review, and Council Job Descriptions have been submitted to the Job Evaluation Committee. The Job Descriptions were approved by the Job Evaluation and Audit Committee. Once the salary scales and Grading of the Municipality has been finalized the Job Evaluation along with the new salaries will be implemented.

There are clear communications channels between workers and management via Labour Forum, Skills Development and Unions Meetings which is held on a regular basis.

Organizational standing rules and procedures are in place which exercises a stable internal environment.

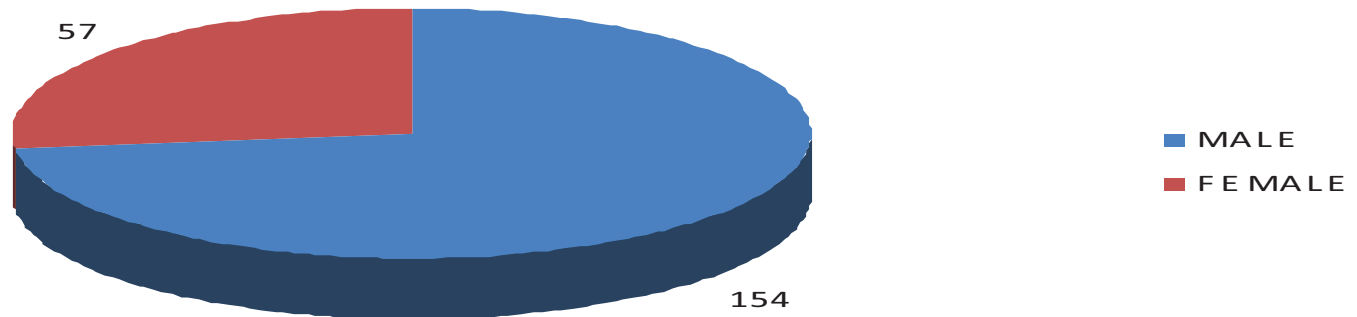
4.4 uPHONGOLO MUNICIPALITY – EMPLOYMENT EQUITY:

The Municipality is strongly committed to the achievement of Employment Equity and equal opportunities for all employees. The Municipality is actively working towards creating and maintaining a fair and equitable working environment, free from all forms of discrimination. Council has in place an Employment Equity Plan which sets the strategic direction of the municipality's overall employment equity programmes, and supports the municipality's commitment to equal justice. The plan is set over a period of five years and is re-assessed annually. The plan focuses on four areas, namely:

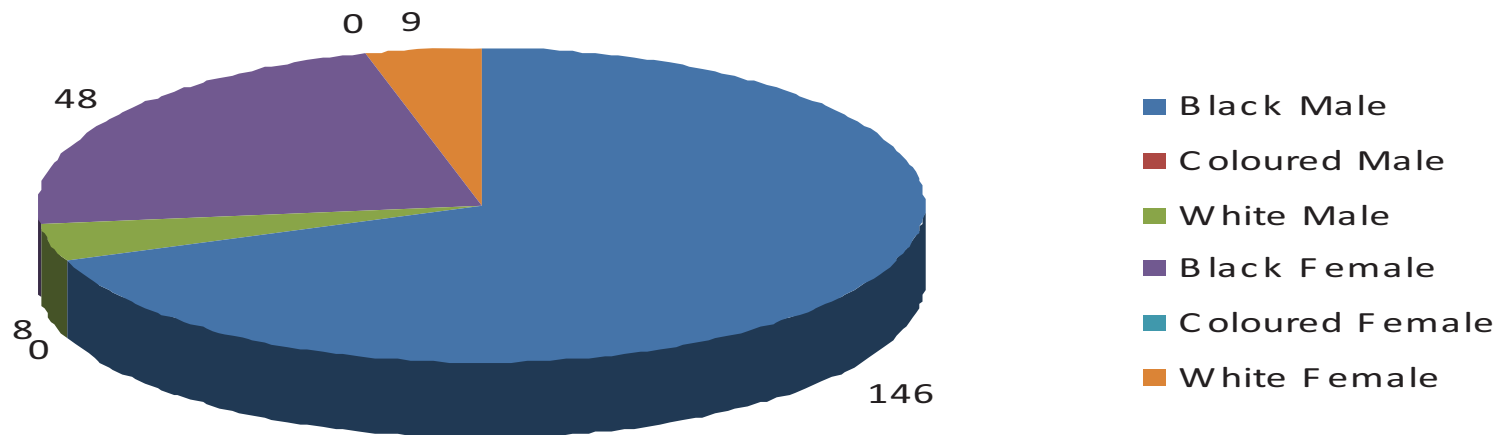
- The integration of Employment Equity within policy, planning and management systems.
- Ensuring employment practices do not discriminate against employees or potential employees.
- Promoting Employment Equity and workforce diversity.
- Ensuring a work environment that is free from racial harassment.

A fully functional Employment Equity/Skills Development Committee is in place, where issues relating to Employment Equity are discussed. The Committee met quarterly. The tables below reflect the gender and racial composition of the council's employees.

Gender Composition of Employees



Racial Composition of Employees



The following tables are from the Council's Employment equity plan:
Section B: Workforce Profile: Occupational Categories

1.1 Please report the total number of **employees** (including employees with disabilities) in each of the following occupational categories: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Categories	Designated									Non-designated				TOTAL
									White Male		Foreign Nationals			
	Male				Female									
	A	C	I	W	A	C	I	W		W		Male	Female	
Legislators, senior officials and managers	4							3						7
Professionals	2				2									4
Technicians as associate professionals														
Clerks	11				23				5					39
Service and sales workers	9			1	1									11
Skilled agricultural and fishery workers														0
Craft and related trades workers														
Plant and machine operators and assembles	1													1
Elementary occupations	98			1	41									145
TOTAL PERMANENT	129	0	0	2	72	0	0	8		0		0	0	208
Non-permanent employees	1													1
GRAND TOTAL	127	0	0	2	72	0	0	8		0		0	0	209

Section D: Disciplinary Action (This section is not applicable to small employers)

6. Disciplinary action: (report the total number of disciplinary actions during the twelve months preceding the report): Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Disciplinary Action	Designated								Non-designated				TOTAL
									White Male		Foreign Nationals		
	Male				Female								
	A	C	I		A	C	I	W	W		Male	Female	
	2				1								3

Section E: Skills Development (This section is not applicable to small employers)
7. Training

7.1 Please report the total number of people who received training, including for people with disabilities, and not the number of training courses attended, in each **occupational category**: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Categories	Designated								Non-designated				TOTAL
	Male				Female				White Male	Foreign Nationals			
	A	C	I	W	A	C	I	W	W	Male	Female		
Legislators, senior officials and managers	1							2					3
Professionals	4				1								5
Technicians as associate professionals													6
Clerks					4			2					10
Service and sales workers	6				4								10
Skilled agricultural and fishery workers													0
Craft and related trades workers													0
Plant and machine operators and assembles													0
Elementary occupations	1												1
TOTAL PERMANENT	12	0	0		9	0	0	4		0		0	25
Non-permanent employees													0
GRAND TOTAL	12	0	0	0	9	0	0	4		0		0	25

4.5 uPHONGOLO MUNICIPALITY – SKILLS DEVELOPMENT

The Council has a Workplace Skills Development Plan which is submitted annually to the Local Government SETA (LGSETA). The Workplace Skills Plan, as the plan is known, is completed annually and sets out all the training priorities and planned training for each year. The Skills Development/Training Committee is fully functional and in place, where issues relating to training and development are discussed.

The uPhongolo Local Municipality arranges training sessions for the Councillors as well as all staff members where the Council's Policies, Delegated Powers, etc. are workshopped with all to ensure that everybody within the employ of the Council has the knowledge to implement and adhere to Council's Policies.

The uPhongolo Local Municipality takes students in as interns in the various Departments and when the Interns period of training has ended these students is 90% of the time offered permanent positions within the Municipality.

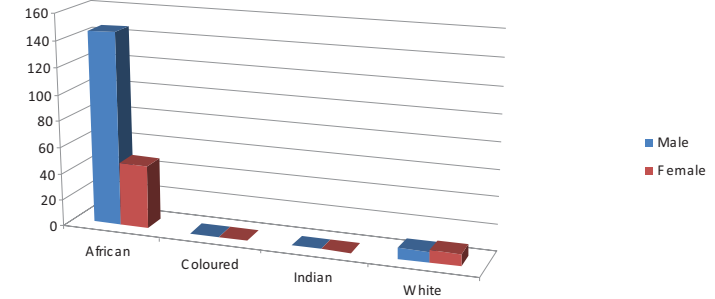
A comprehensive training plan has been drafted for all levels of the workforce and is implemented subject to availability of funding.

The uPhongolo Local Municipality's Mayoral Fund makes each year bursaries available to disadvantaged students to study at a university/Technical College of their choice. During the 2007/2008 financial year 7 students received bursaries 4 of them included boarding and food and 3 was only for registration.

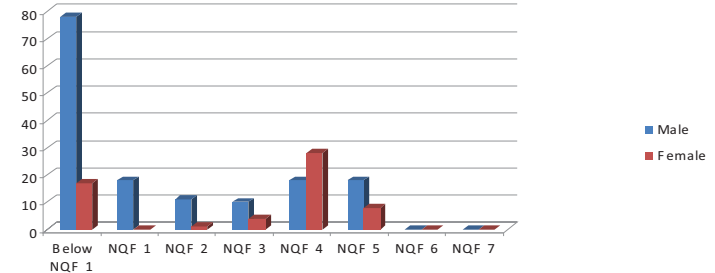
The uPhongolo Local Municipality has adopted and implemented an Induction Policy, Employees Performance Management Policy, Remuneration and Promotion Policy as well as a Human Resource Development and Training Policy.

uPhongolo Local Municipality ensures that staff are elected for training as per Council's Skills Training Plan.

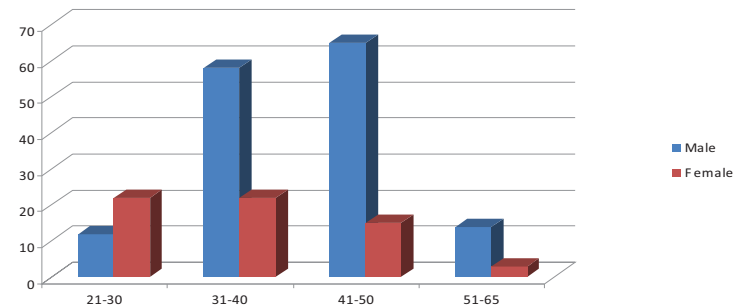
Race and Gender Composition of Employees



Highest level of Qualifications held by Employees



Age Categories of Employees



4.6 PERFORMANCE MANAGEMENT SYSTEM

The following progress has been made in relation to the Performance Management.

Employees Performance Management Policy has been adopted by Council and is in place.

A well-established IDP document and SDBIP is linked to the PMS with clear set KPI's and KPA's that is connected to the National Key Performance Indicators. All contracts of Section 57 Employees are linked to the PMS with clear deliverables set against the IDP. Permanent employees have all been provided with Job Descriptions. In terms of the Act there is a Performance Management Committee in place who evaluates the Municipal Manager and the Section 57 Managers directly accountable to the Municipal Manager.

KPI's and KPA's for various Departments have been set and it is measured quarterly.

All Section 57 Employees have signed their Performance Agreements, and the Individual Performance Agreements contain measurable Objectives and is linked to the IDP, SDBIP and Budget.

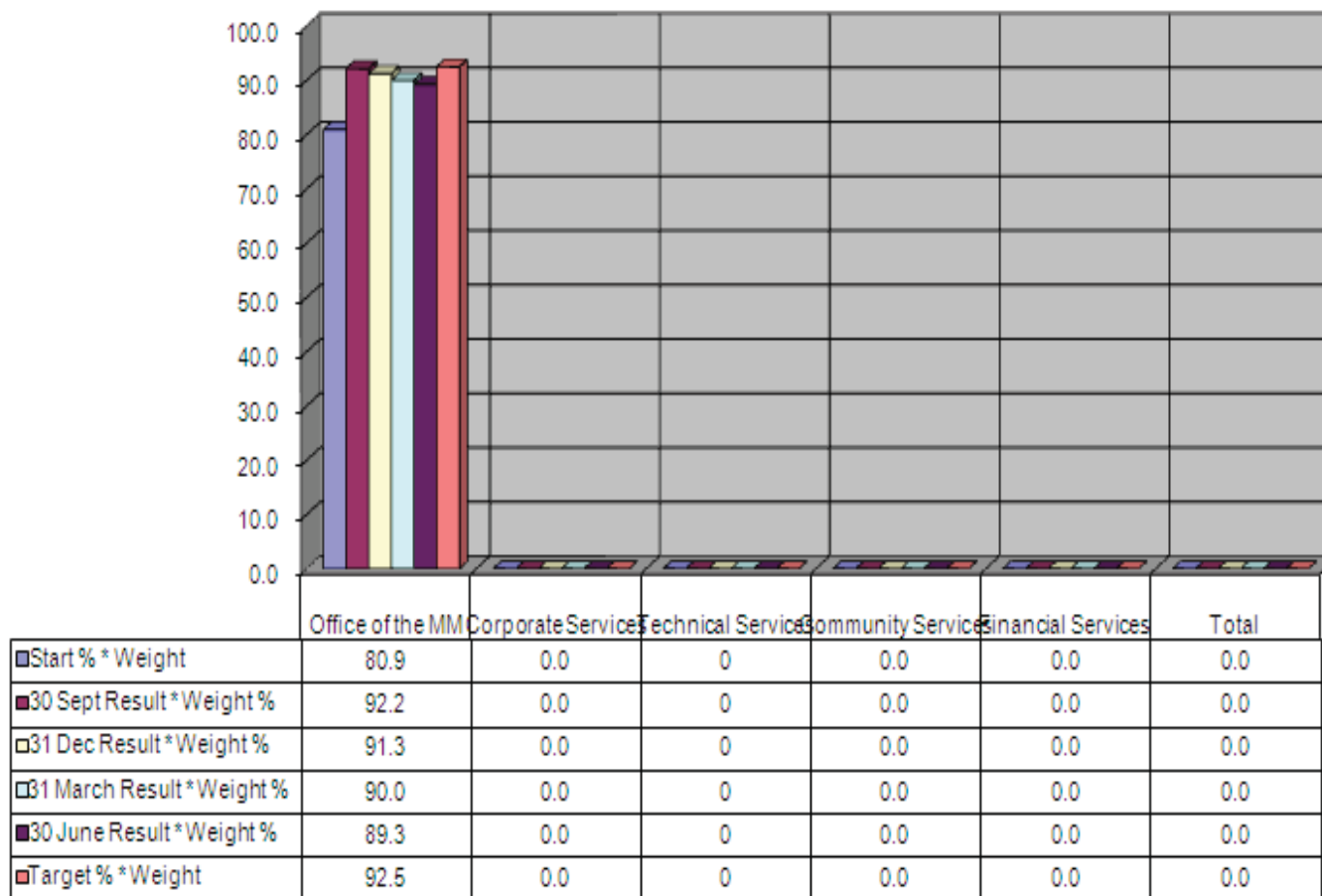
All Section 57 Employees have a Performance Development Plan and Training is aligned with the Plan.

The Municipal Performance Management Plan has been implemented from the Section 57 Employees down to the General Assistants and General Workers. The Performance measurements of the staff reporting to Section 57 Managers is used to identify shortcoming/lack of skills with in the staffs specific designation, and training is planned according to the Performance outcome in the Skills Training Plan to ensure that the shortcomings/lack of skills is addressed.

The following Graphs show Councils performance for the year 2007/2008.

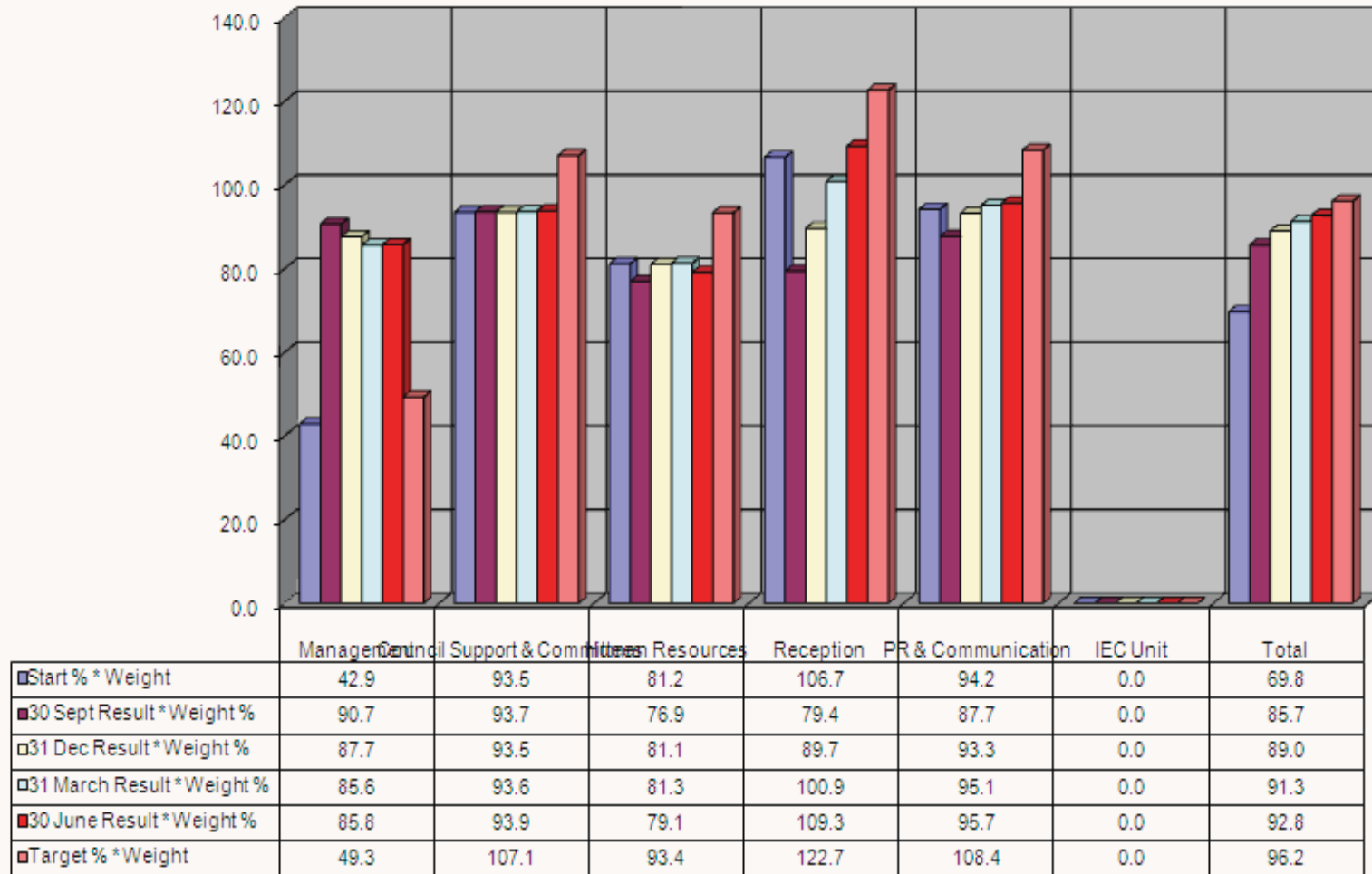
DEPARTMENTAL PERFORMANCE – MUNICIPAL MANAGERS DEPARTMENT:

uPhongolo Municipality: Performance Measurement 2007/2008 Financial Year

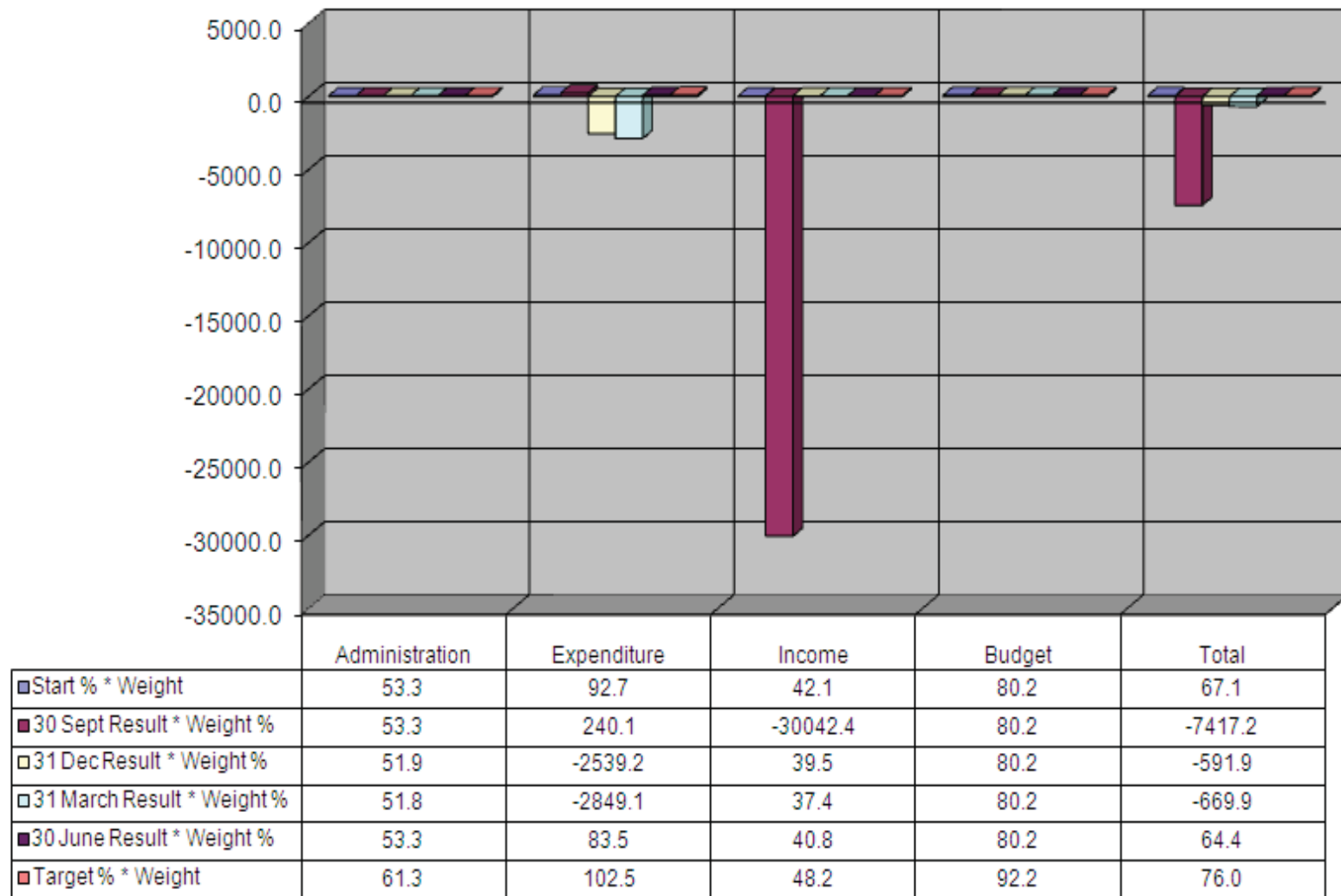


DEPARTMENTAL PERFORMANCE –CORPORATE SERVICES DEPARTMENT:

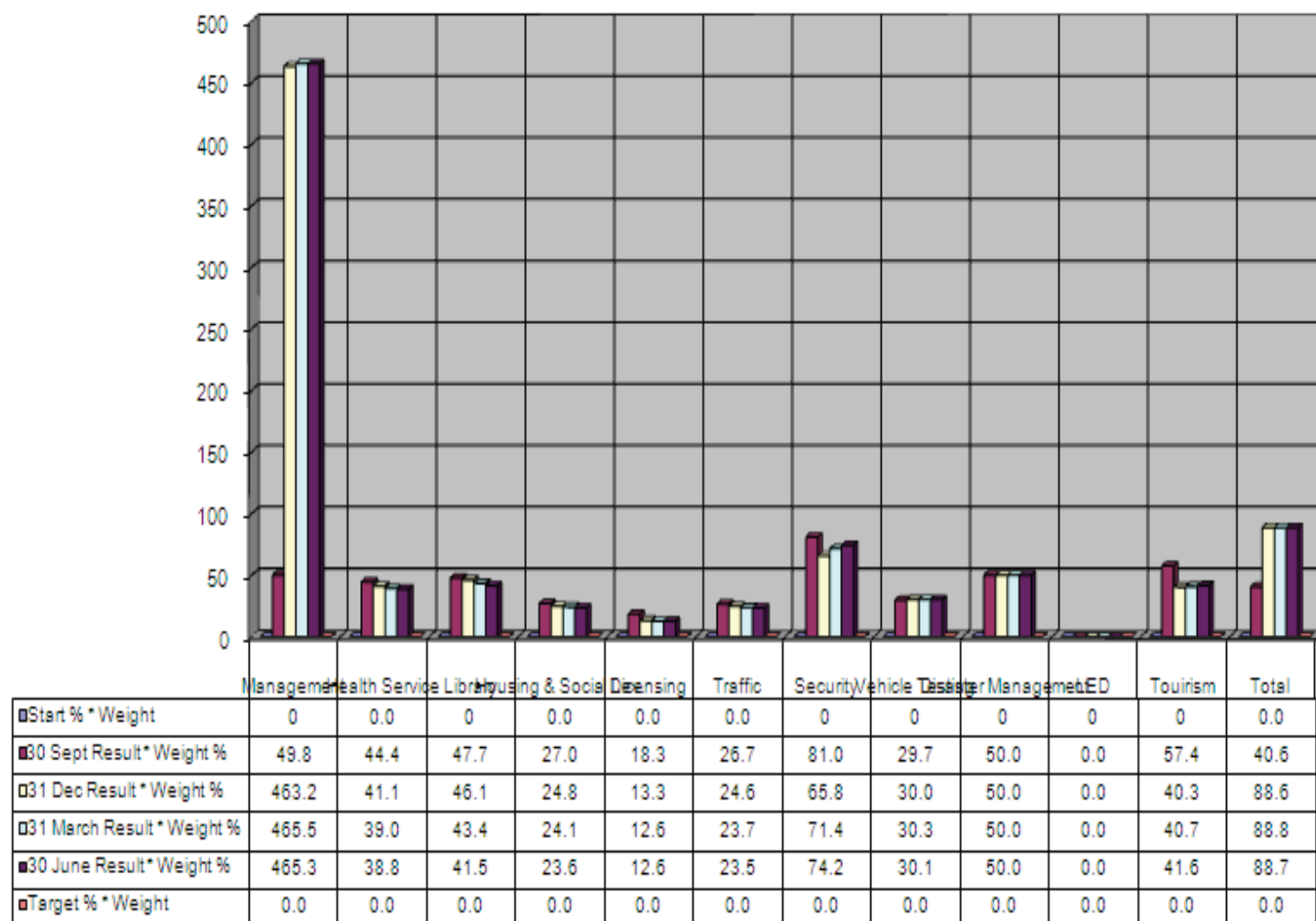
uPhongolo Municipality: Performance Measurement: Corporate Services Department: 2007/2008 Financial Year



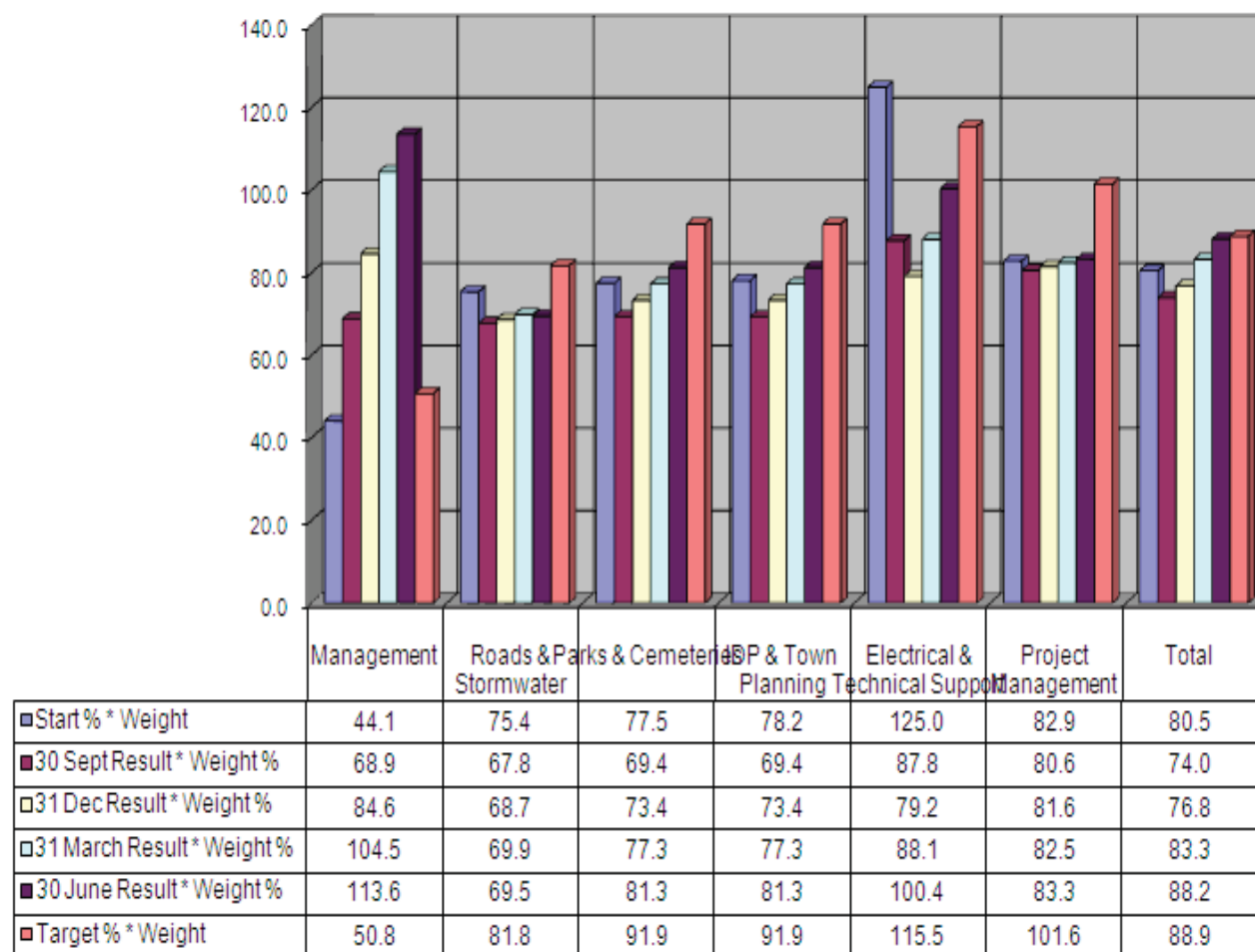
**uPhongolo Municipality: Performance Measurement:
Financial Services Department: 2007/2008 Financial Year**



uPhongolo Municipality: Performance Measurement: Community Services Department - 2007/2008 Financial Year

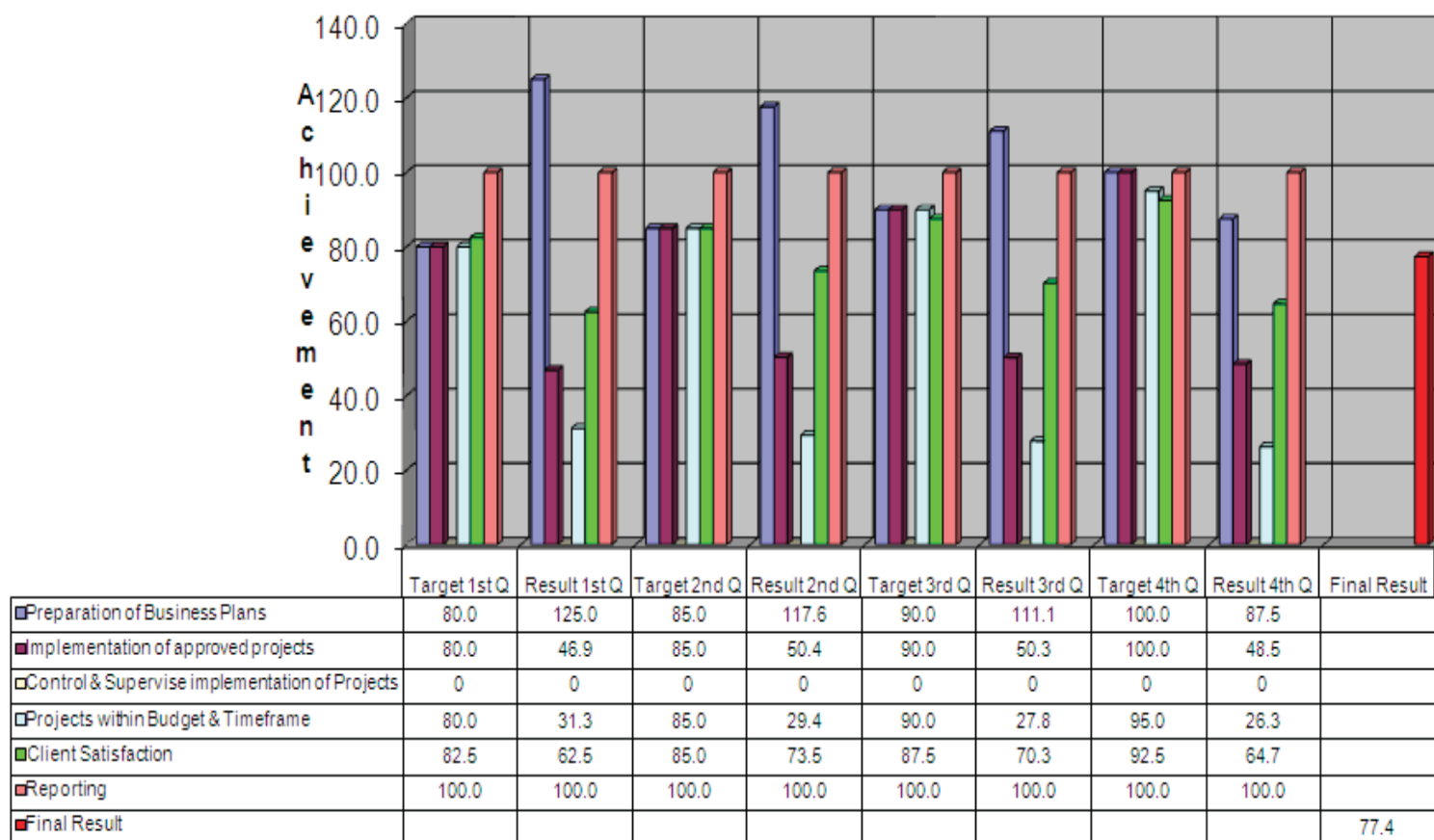


uPhongolo Municipality: Performance Measurement: Technical Services Department: 2007/2008 Financial Year



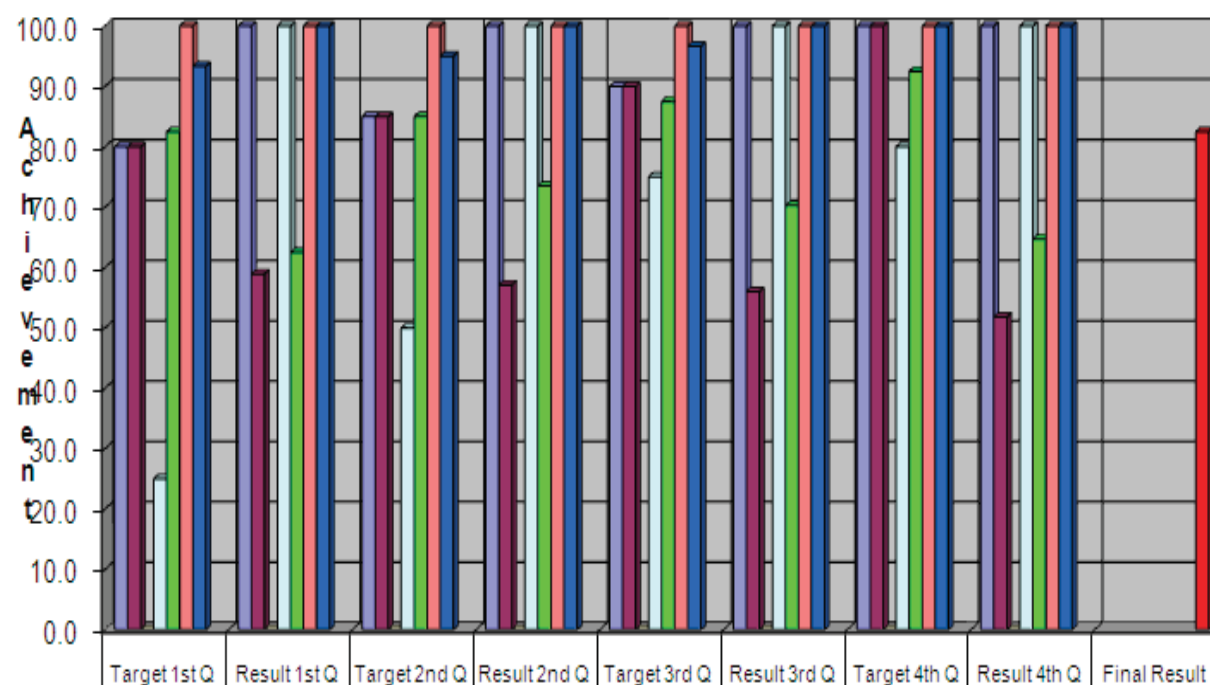
COUNCILS PERFORMANCE FOR 2007/2008 – ENVIRONMENT, LAND USE, INFRASTRUCTURE AND SERVICES PERFORMANCE:

uPhongolo Municipality - Performance Results 2007/2008 Environment, Land Use, Infrastructure & Services



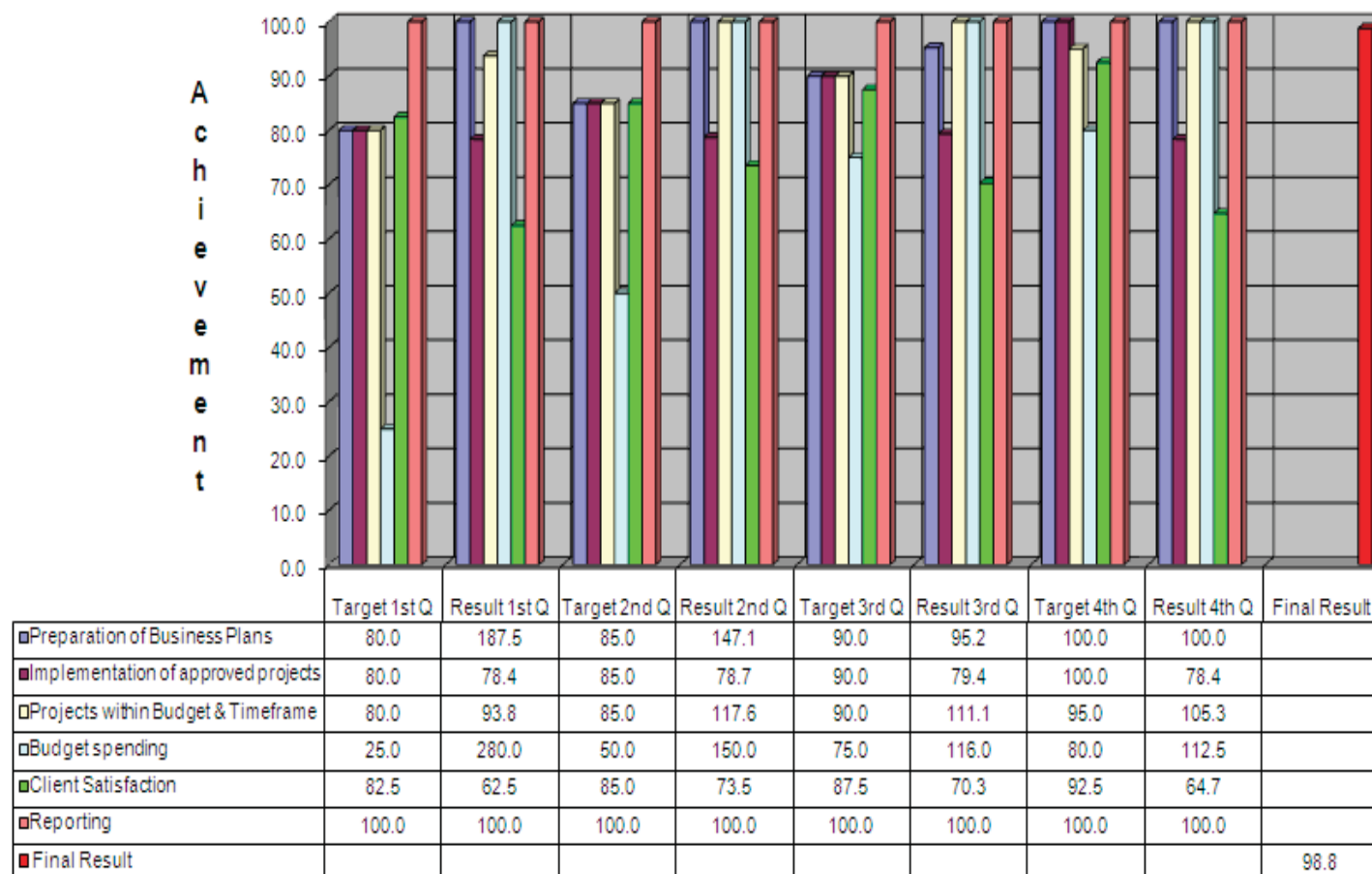
COUNCILS PERFORMANCE FOR 2007/2008 – ECONOMIC GROWTH AND SOCIAL DEVELOPMENT:

uPhongolo Municipality - Performance Results 2007/2008 Local Economic Growth & Social Development



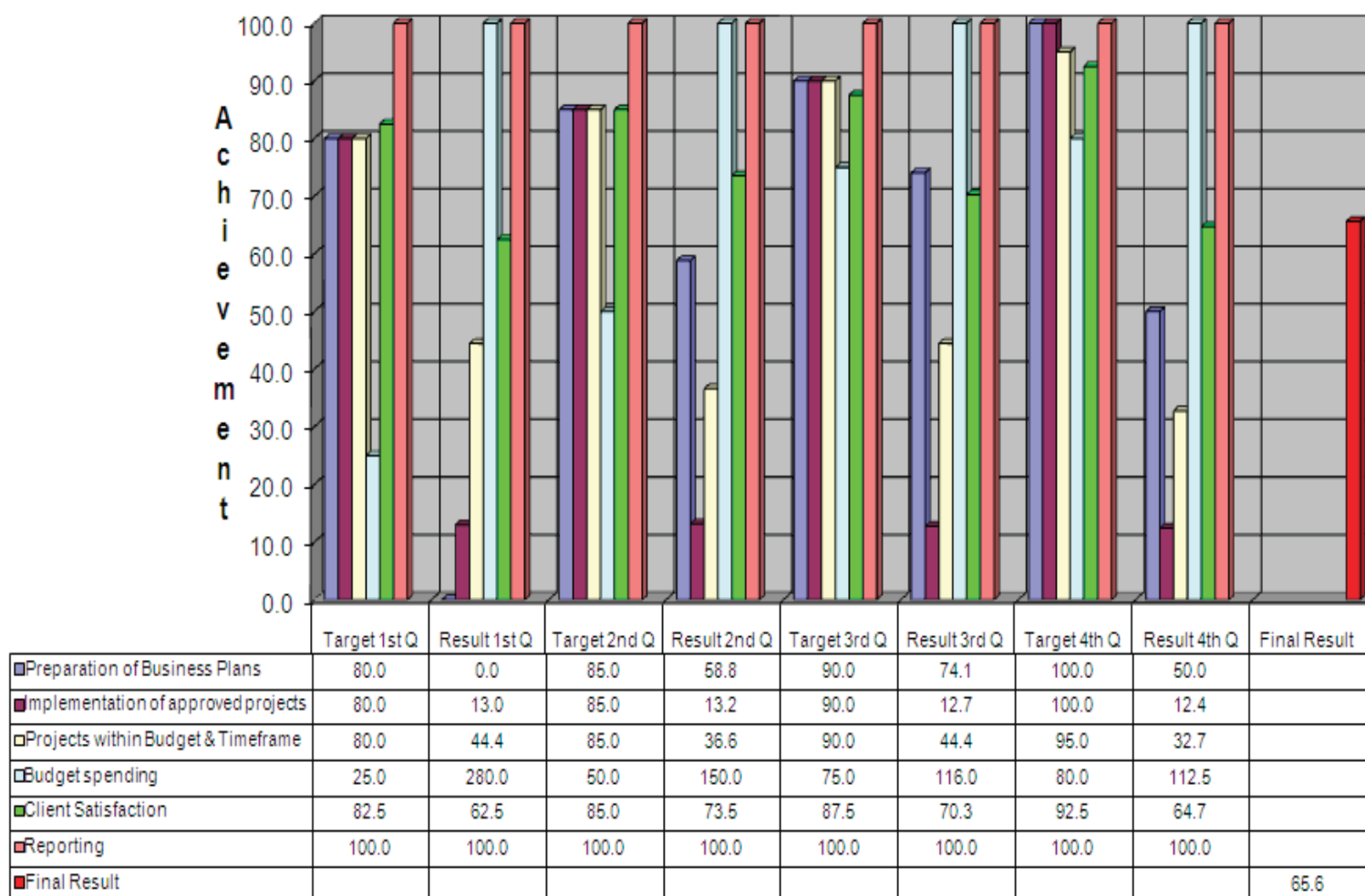
	Target 1st Q	Result 1st Q	Target 2nd Q	Result 2nd Q	Target 3rd Q	Result 3rd Q	Target 4th Q	Result 4th Q	Final Result
■ Preparation of Business Plans	80.0	125.0	85.0	117.6	90.0	111.1	100.0	100.0	
■ Implementation of approved projects	80.0	58.9	85.0	57.1	90.0	56.0	100.0	51.8	
□ Control & Supervise implementation of Projects	0	0	0	0	0	0	0	0	
□ Budget spending	25.0	280.0	50.0	150.0	75.0	116.0	80.0	112.5	
■ Client Satisfaction	82.5	62.5	85.0	73.5	87.5	70.3	92.5	64.7	
■ Reporting	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
■ Public Participation	93.3	108.3	95.0	105.9	96.7	103.7	100.0	100.0	
■ Final Result									82.5

Uphongolo Municipality - Performance Results 2007/2008 Institutional Transformation & Governance



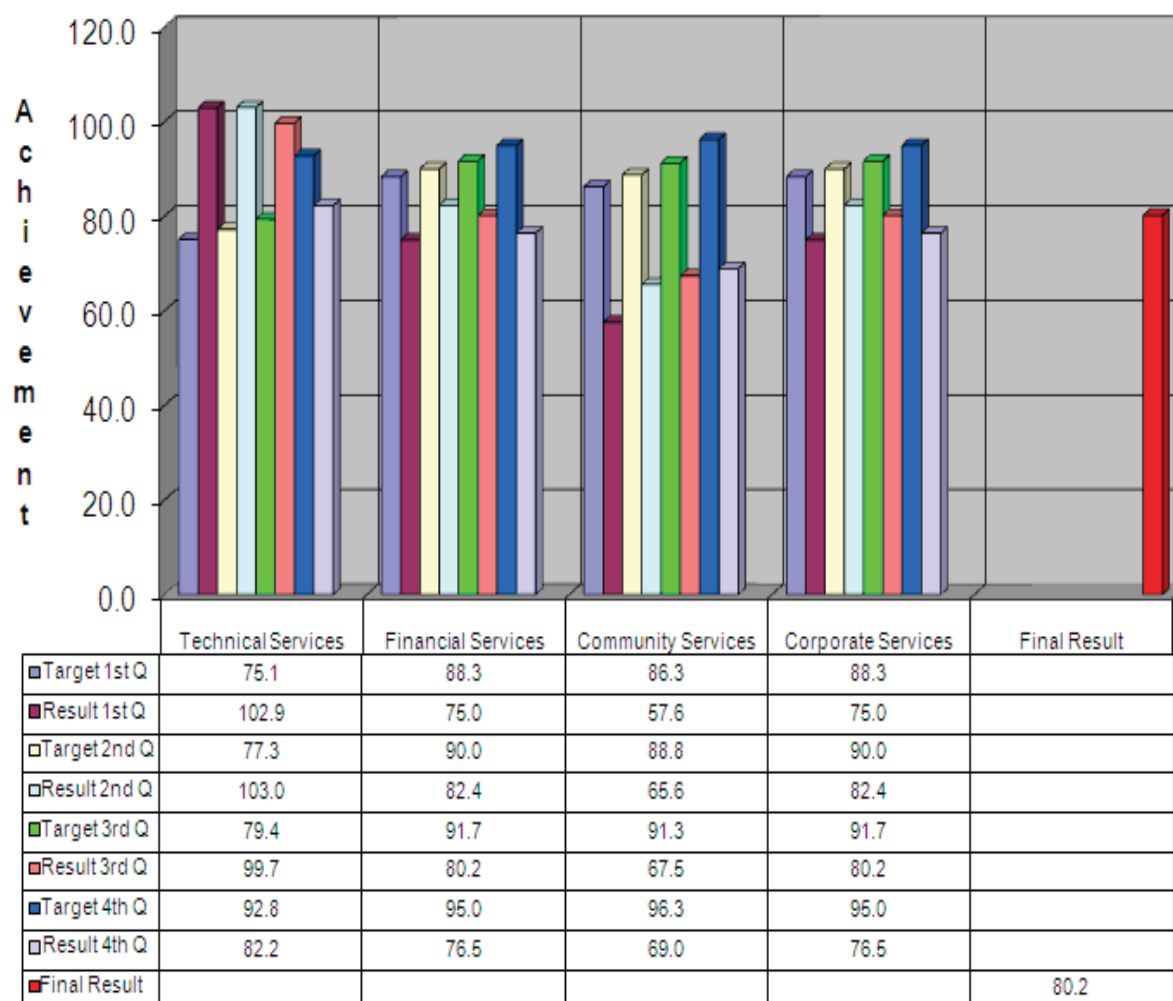
COUNCILS PERFORMANCE FOR 2007/2008 – SOUND FINANCIAL MANAGEMENT:

uPhongolo Municipality - Performance Results 2007/2008 Sound Financial Management

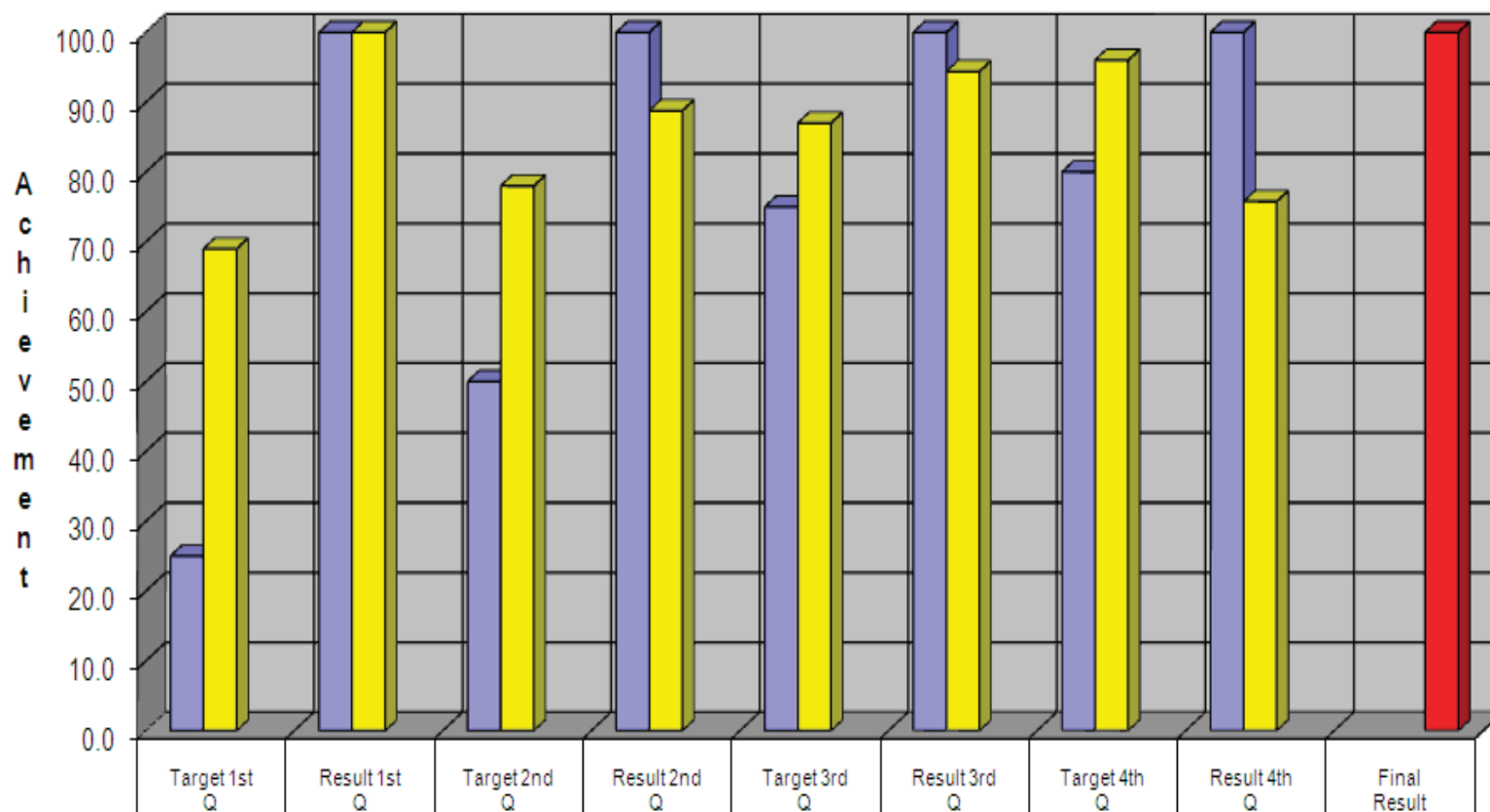


COUNCILS PERFORMANCE FOR 2007/2008 – CUSTOMER PERSPECTIVE:

uPhongolo Municipality - Performance Results 2007/2008 Customer Perspective



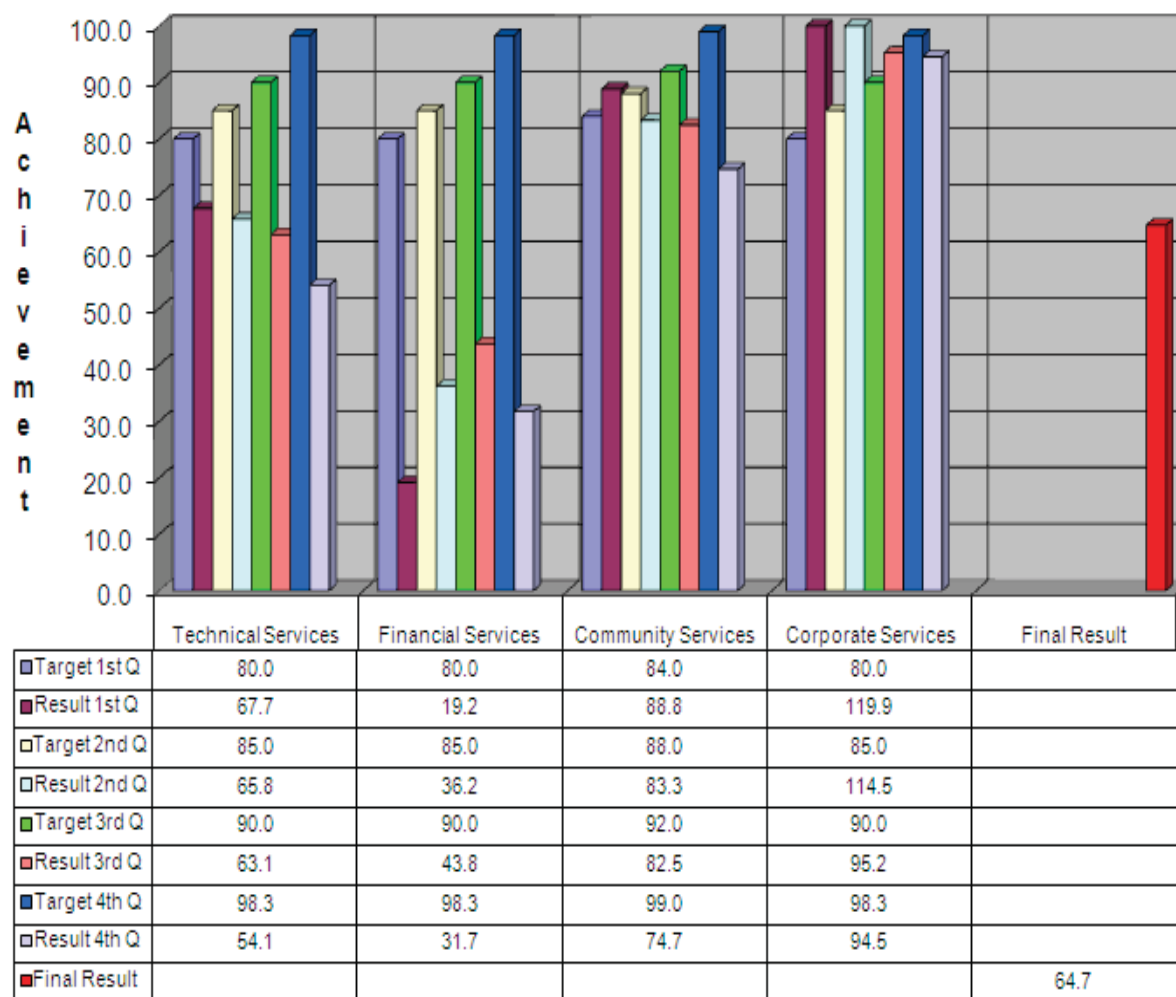
uPhongolo Municipality - Performance Results 2007/2008 Budget & Financial Perspective



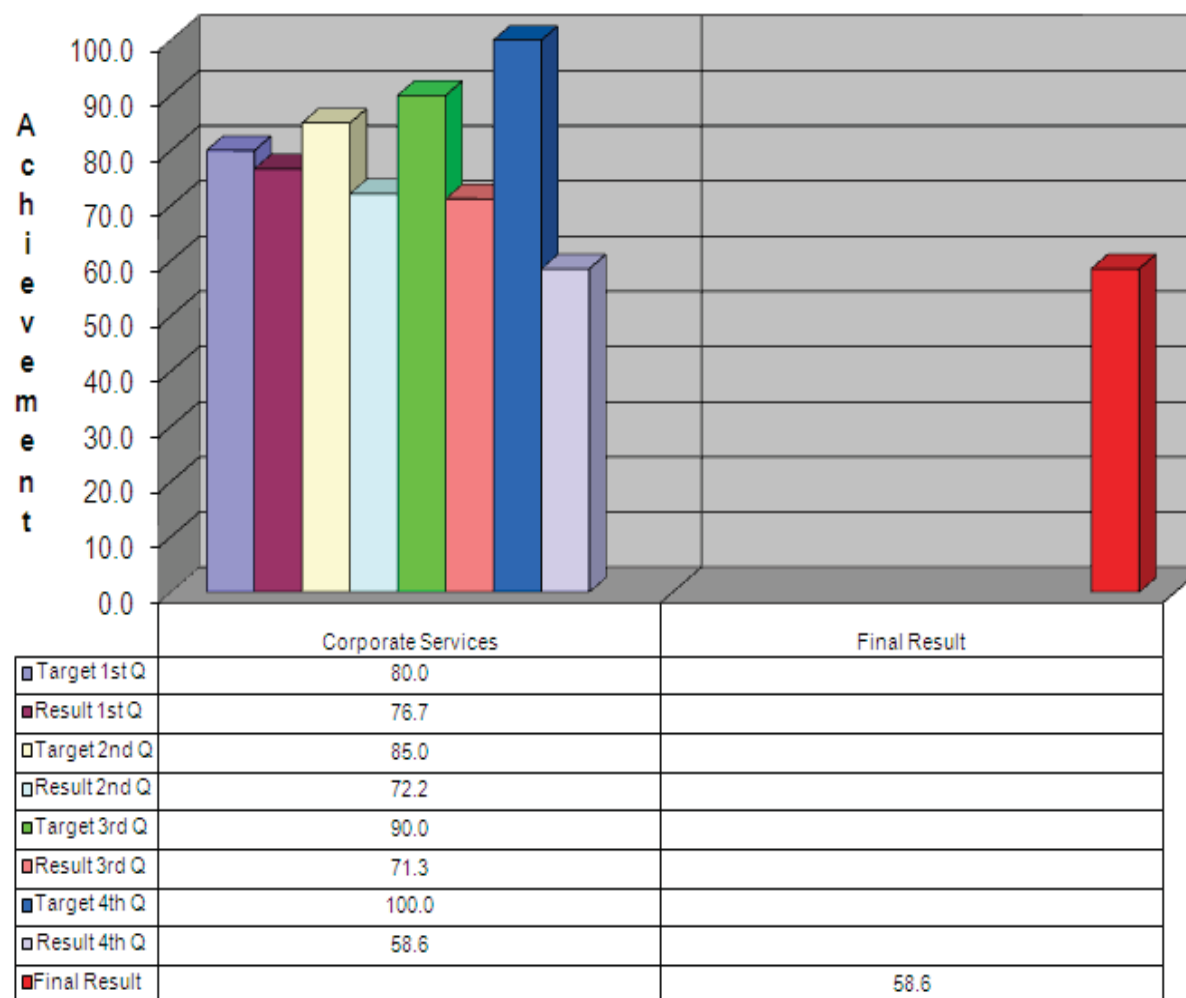
Technical, Community & Corporate Services	25.0	280.0	50.0	150.0	75.0	116.0	80.0	112.5
Financial Services	69.0	118.6	78.0	88.8	87.0	94.4	96.0	75.8
Final Result								107.0

COUNCILS PERFORMANCE FOR 2007/2008 – INTERNAL PERSPECTIVE:

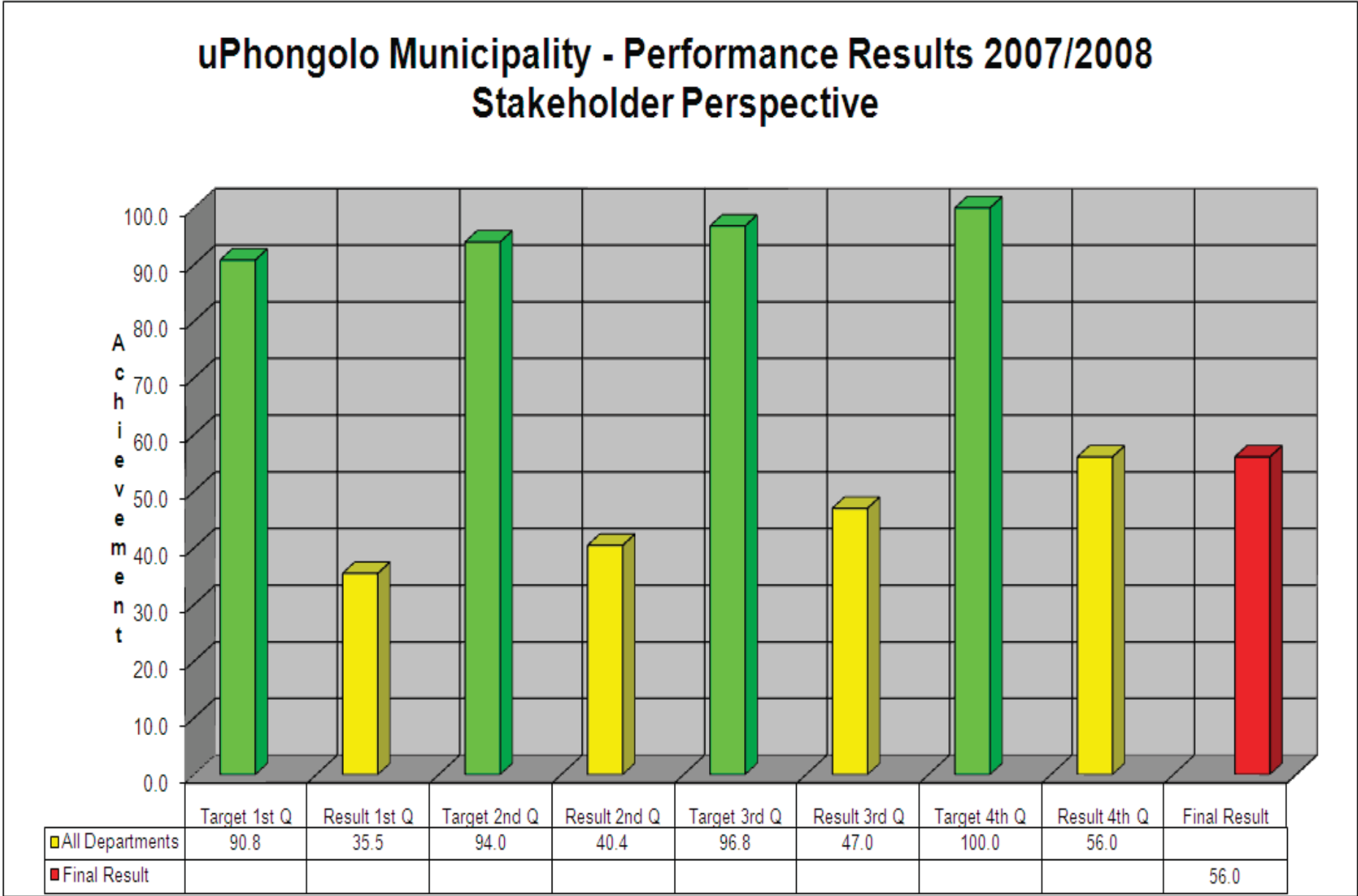
uPhongolo Municipality - Performance Results 2007/2008 Internal Perspective



uPhongolo Municipality - Performance Results 2007/2008 Learning & Growth Perspective

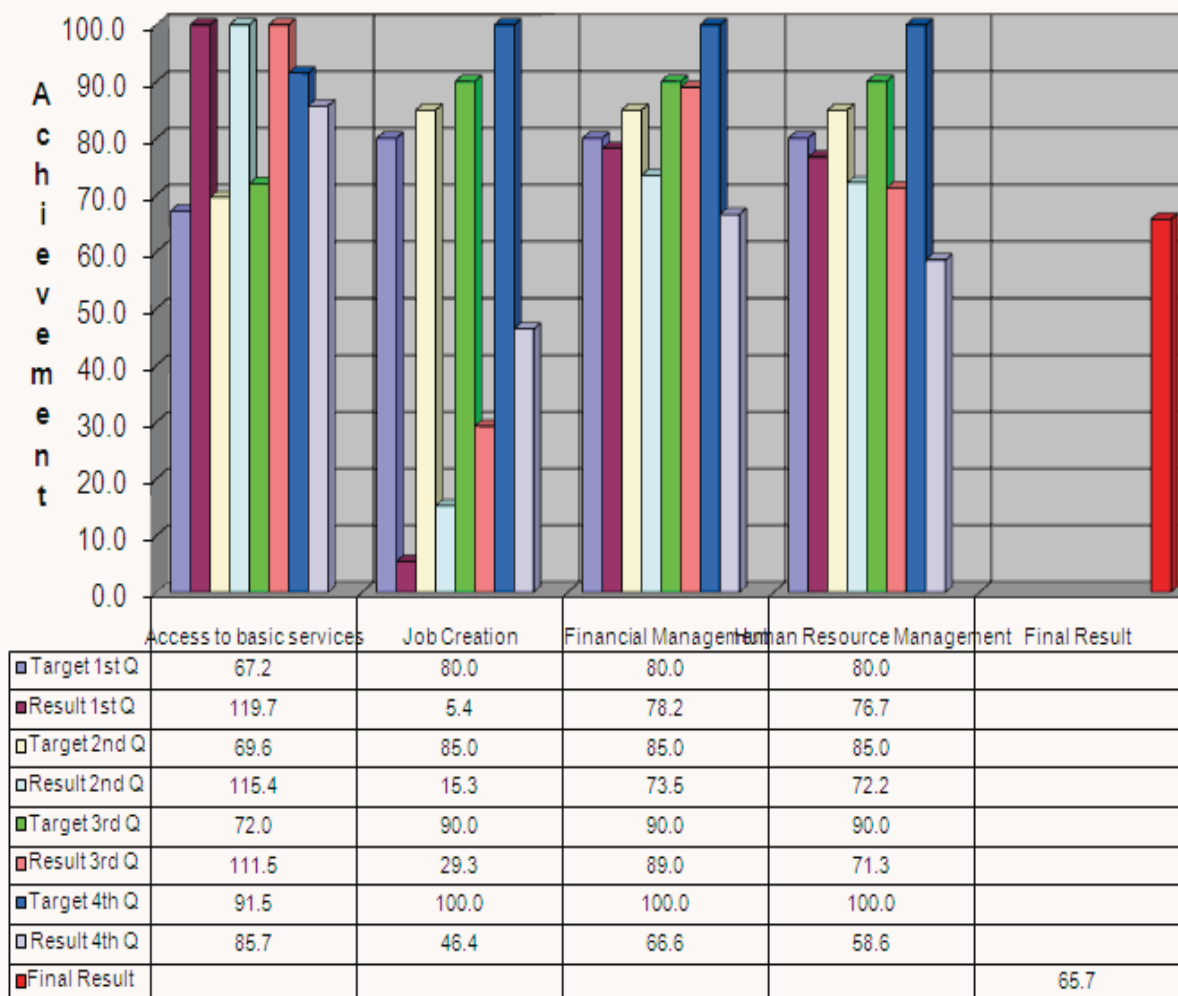


COUNCILS PERFORMANCE FOR 2007/2008 – STAKEHOLDER PERSPECTIVE:



COUNCILS PERFORMANCE FOR 2007/2008 – NATIONAL KEY PERFORMANCE INDICATORS:

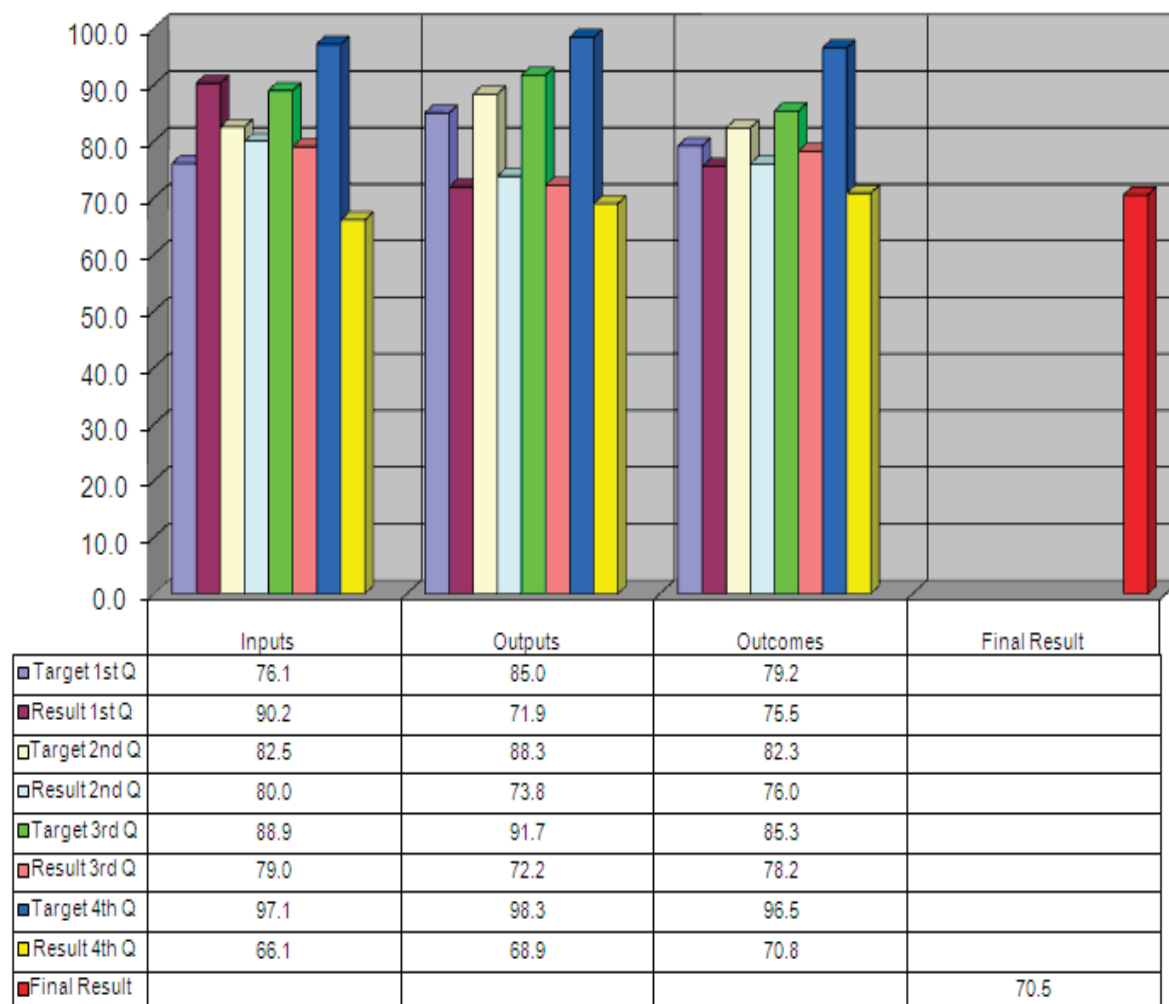
uPhongolo Municipality - Performance Results 2007/2008 National Key Performance Indicators



COUNCILS PERFORMANCE FOR 2007/2008 – INPUTS, OUTPUTS AND OUTCOMES:

uPhongolo Municipality - Performance Results 2007/2008

Inputs, Outputs & Outcomes



4.7 ORGANIZATION PERFORMANCE MANAGEMENT SYSTEM

This section gives the Key Performance Indicators for each objective and the Annual Performance Report of the 2007/2008 financial year.

uPHONGOLO LOCAM MUNICIPALITY'S ORGANISATIONAL PMS 2007/2008						
KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
Environmental Land Use and Spatial Development	1	Development Planning Capacity Building	R 140,000.00	100%	Percentage of the Development Planning Capacitybuilding Project competed and within budget	Manager Technical Services, IDP/Town Planning Manager, Development Planner
	2	2008/2009 IDP Review	R 100,000.00	100%	Percentage of the 2008/2009 IDP Review completed (Corporate Services input as required)	Manager Technical Services, IDP/Town Planning Manager, Development Planner, Manager Corporate Services, Manager Community Services, Chief Financial Officer
	3	uPhongolo Land Use Management System (Finalise)	R 50,000.00	80% - Community Participation to be done	Corridor completed	Manager Technical Services, Development Planner
	4	Planning for upgrade of Sodwana Corridor	R 5,000.00	20% - New Toilet facilities to be build	Percentage of the Planning and upgrading of Sodwana	Manager Technical Services, Development Planner
	5	Develop Policy for informal Trading	R 5,000.00	50%	Percentage of the development of a Policy for informal Trading completed	Manger Tchnical Services, Development Planner, CLO, Manager Community Service and LED Officer
	6	Develop Policy for Trading from Containers	R 5,000.00	NOT DONE	Percentage of the development of a Policy for trading from containers completed	Manager Technical Services, Development Planner
	7	Policy on billboards and Advertising	R 5,000.00	25% - draft in planning phase	Percentage of the development of a Policy for Billboards and Advertising completed	Manager Technical Services, Development Planner
	8	Soil Erosion Management	R 1,000,000.00	5%	Percentage of the Soil Erosion Management completed	Manger Technical Services, GIS Officer, Development Planner
	9	Eradication of Invader Plants	R 300,000.00	NOT IMPLEMENTED	Percentage of the Eradication of invader plants	Manager Technical Services, Development Planner
	10	GIS System Operationalisation and;	R 425,000.00	80%	Percentage of the GIS Operationalisation and;	Manager Technical Services, GIS Officer, Development Planner
		Integration		20%	Integration	
	11	Resolve Statutory Panning cases relating to Ordinance	R 140,000.00	70%	Percentage of the 15 Statutory Planning Cases resolved	Manager Technical Services, Development Planner

uPHONGOLO LOCAL MUNICIPALITY'S ORGANISATIONAL PMS 2007/2008

KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
Municipal Infrastructure and Services	12	Internal Sewer Ncotshane Phase 7, 8 & 9 (Housing)	R 2,500,000.00	50% - Planning phase finalized, design in process	Percentage progress with the implementation of the internal Sewer Ncotshane Phase 7, 8 & 9 (Housing Project)	Manager Technical Services, PMU Manager
	13	Pongola Stormwater Upgrade: Master Plan	R 350,000.00	100%	Percentage progress with the implementation of the Pongola Stormwater Upgrade; Master Plan Project	Manager Technical Services, PMU Manager
	14	Pongola Stormwater Upgrade	R 4,400,000.00	100%	Percentage progress with the implementation of the Pongola Stormwater Upgrade Project	Manager Technical Services, PMU Manager
	15	Ncotshane Solar Panel Project		NOT IMPLEMENTED	Percentage progress with the implementation of the Ncotshane Solar Panel Project	Manager Technical Services, PMU Manager
	16	Alternative Energy Ward 1		60% - residence provided with alternative energy budget R77 000 per month	Percentage Progress with the implementation of the Magudu Area	Manager Technical Services, PMU Manager
	17	Ncotshane Roads Upgrade (Hotel Route)	R 3,072,490.00	65% - complete	Percentage progress with the implementation of the Ncotshane Roads Upgrade (Hotel Route Project)	Manager Technical Services, PMU Manager
	18	Develop Solid Waste Disposal Strategy	R 100,000.00	20% - Master plan to be updated	Percentage Progress with the Development of the Solid Waste Disposal Strategy	Manager Technical Services, Manager Community Services
	19	Ext 4 Stormwater (Portion)		50% - complete planning and design toilet facilities access road and fencing	Percentage progress with the Development of Ext 4 Stormwater	Manager Technical Services, PMU Manager
	20	Projects Design Et 4		50%	Percentage progress with the Projects Design Ext 4	Manager Technical Services, PMU Manager
	21	Belgrade Cemetery Site development (Part of Belgrade Fort)	R 300,000.00	65% - business Plan submitted to DPLG for funding which also included Ncotshane, Belgrade, Pongola and Magudu Cemeteries	Establishment of Cemetery Sites as per legislation	Manager Technical Services
	22	Recycling Refuse	R 60,000.00	20% - current Service Provider at dumpsite awaiting Electricity Connection to proceed with recycling of cardboard, preparing proposal to Council regarding a PPP to undertake recycling of Garden Refuse	Percentage progress with the Recycling Refuse within the Budget	Manager Community Services, Health and Law Enforcement Officer
	23	Candover Market Stalls	R 1,000,000.00	5% - Land issues to be resolved	Percentage of the Candover market Stalls project implemented, on schedule and within budget	Municipal Manager, Manager Technical Services, IDP Town Planning Manager, Tourism Officer

uPHONGOLO LOCAL MUNICIPALITY'S ORGANIZATIONAL PMS 2007/2008

KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
Municipal Infrastructure and Services	12	Internal Sewer Ncotshane Phase 7, 8 & 9 (Housing)	R 2,500,000.00	50% - Planning phase finalized, design in process	Percentage progress with the implementation of the internal Sewer Ncotshane Phase 7, 8 & 9 (Housing Project)	Manager Technical Services, PMU Manager
	13	Pongola Stormwater Upgrade: Master Plan	R 350,000.00	100%	Percentage progress with the implementation of the Pongola Stormwater Upgrade; Master Plan Project	Manager Technical Services, PMU Manager
	14	Pongola Stormwater Upgrade	R 4,400,000.00	100%	Percentage progress with the implementation of the Pongola Stormwater Upgrade Project	Manager Technical Services, PMU Manager
	15	Ncotshane Solar Panel Project		NOT IMPLEMENTED	Percentage progress with the implementation of the Ncotshane Solar Panel Project	Manager Technical Services, PMU Manager
	16	Alternative Energy Ward 1		60% - residence provided with alternative energy budget R77 000 per month	Percentage Progress with the implementation of the Magudu Area Paraffin Replacement Project	Manager Technical Services, PMU Manager
	17	Ncotshane Roads Upgrade (Hotel Route)	R 3,072,490.00	65% - complete	Percentage progress with the implementation of the Ncotshane Roads Upgrade (Hotel Route Project)	Manager Technical Services, PMU Manager
	18	Develop Solid Waste Disposal Strategy	R 100,000.00	20% - Master plan to be updated	Percentage Progress with the Development of the Solid Waste Disposal Strategy	Manager Technical Services, Manager Community Services
	19	Ext 4 Stormwater (Portion)		50% - complete planning and design toilet facilities access road and fencing	Percentage progress with the Development of Ext 4 Stormwater (Portion)	Manager Technical Services, PMU Manager
	20	Projects Design Et 4		50%	Percentage progress with the Projects Design Ext 4	Manager Technical Services, PMU Manager
	21	Belgrade Cemetery Site development (Part of Belgrade Fort)	R 300,000.00	65% - business Plan submitted to DPLG for funding which also included Ncotshane, Belgrade, Pongola and Magudu Cemeteries	Establishment of Cemetery Sites as per legislation	Manager Technical Services
	22	Recycling Refuse	R 60,000.00	20% - current Service Provider at dumpsite awaiting Electricity Connection to proceed with recycling of cardboard, preparing proposal to Council regarding a PPP to undertake recycling of Garden Refuse	Percentage progress with the Recycling Refuse within the Budget	Manager Community Services, Health and Law Enforcement Officer
	23	Candover Market Stalls	R 1,000,000.00	5% - Land issues to be resolved	Percentage of the Candover market Stalls project implemented, on schedule and within budget	Municipal Manager, Manager Technical Services, IDP Town Planning Manager, Tourism Officer

uPHONGOLO LOCAL MUNICIPALITY'S ORGANIZATIONAL PMS 2007/2008

KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
Local Economic Development	24	Pongolapoort Dam: Implementation of LDP Projects		20%	Percentage of the Pongolapoort Dam, implementation of LDP Projects Implemented, on schedule and within the budget	Municipal Manager, Manager Technical Service, IDP/Town Planning Manager, Tourism Officer
	25	uPhongolo Municipality LED Projects (Ward Upliftment)	R 550,000.00	100%	Percentage of the LED Projects (Ward Upliftment) implemented, on schedule and within the budget	Municipal Manager, Manager Community Service and LED Officer
	26	Pongolapoort Project Facilitation	R 610,000.00	100%	Percentage success with project facilitation (Pongolapoort Dam)	Municipal Manager, Manager Technical Services, IDP Town Planning Manager, Tourism Officer
	27	Development of uPhongolo Tourism Brochure	R 20,000.00	NOT IMPLEMENTED	Percentage progress with the development of the brochure	Manager Community Services and Tourism Officer
	28	Upgrading of Tourism Website	R 50,000.00	100%	Percentage progress with the Tourism Website upgrading	Manager Community Services and Tourism Officer
	29	Funding of Tourism Association		70%	Percentage Progress with the Tourism Association funding	Manager Community Services and Tourism Officer
	30	Golela Border Post - General Upgrading (Planning)	R 13,000,000.00	50%	Percentage progress with the planning of Golela Border Post	Manager Technical Services, IDP/Town Planning Manager, Development Planner
MIG Projects	31	Simdlangetsha East Water Supply Phase 1 - Completed MIG	R 25,529,963.00	100%	Percentage Progress with the Simdlangetsha East Water Supply Phase 1	Manager Technical Services, PMU Manager, Manager ZDM
	32	Simdlangetsha Central Water Supply Phase 2 MIG Funding	R 30,366,876.00	50% - Design and Planning	Percentage progress with the Simdlanget	Manager Technical Services, PMU Manager, Manager ZDM
	33	Simdlangetsha West - Water Supply	R 31,652,143.00	50% - Design and Planning	Percentage progress with the Simdlanget	Manager Technical Services, PMU Manager, Manager ZDM
	34	Pongola New Water and Sanitation Ext 4	R 30,000,000.00	50% - Design and Planning	Percentage progress with the Pongola Ne	Manager Technical Services, PMU Manager, Manager ZDM
	35	Upgrading of Sewer & Water Plant Pongola and Ncotshane	R 4,800,000.00	50% - Design and Planning	Percentage progress with the Upgrading	Manager Technical Services, PMU Manager, Manager ZDM

uPHONGOLO LOCAL MUNICIPALITY'S ORGANIZATIONAL PMS 2007/2008

KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
MIG PROJECTS	36	Magwensi Street Upgrading MIG	684,598.83	65% Complete	Percentage of Magwensi Street upgrading completed within the Budget	Municipal Manager; Manager Technical Services; PMU Manager
	37	Pongola New Roads and Stormwater, Ext 4 MIG	2,385,807.00	50% - Design and planning finalized	Percentage of the the Pongola New Roads and Stormwater, Ext 4 has been completed within the budget	Municipal Manager; Manager Technical Services; PMU Manager
	38	Access Roads MIG	40,000,000.00	30% - Design and Planning finalized	Percentage of the Access Roads completed within budget	Municipal Manager; Manager Technical Services; PMU Manager
	39	Ncotshane Stormwater Phase 2 (Retentions) MIG	82,222.00	100%	Percentage of the Ncotshane Phase 2 (Retentions) completed within the Budget	Municipal Manager; Manager Technical Services; PMU Manager
	40	Pongola Roads (Retentions)	20,918.00	100%	Percentage progress with the Pongola Roads (Retentions) completed within the Budget.	Municipal Manager; Manager Technical Services; PMU Manager
	41	Belgrade Stormwater (Retention)	92,194.00	100%	Percentage progress with Belgrade stormwater (Retention) within the Budget	Municipal Manager; Manager Technical Services; PMU Manager
	42	Belgrade Roads (Retention)	64,305.00	100%	Percentage progress with the Belgrade Toads within the Budget	Municipal Manager; Manager Technical Services; PMU Manager
	43	Landing Strip	200,000.00	60%	Percentage progress with the progress made on the Landing Strip within the Budget	Municipal Manager; Manager Technical Services; PMU Manager
	44	De Waal Street Upgrading MIG	4,043,179.07	- Design and planning finalized	Percentage progress with De Waal Street Upgrading	Municipal Manager; Manager Technical Services; PMU Manager
	45	De Waal Street RETENTIONS	4,431,790.00	Awaiting completion of project	Percentage progress with De Waal Street Upgrading	Municipal Manager; Manager Technical Services; PMU Manager

uPHONGOLO LOCAL MUNICIPALITY'S ORGANIZATIONAL PMS 2007/2008

KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
Social Development	46	Belgrade MPCC - Operationalisation	6,000,000.00	Parking and Entrance Paving done, await electrical connection from ESKOM and Water from ZDM 85 % completion date February 2008	Percentage progress with the Belgrade MPCC - Operationalisation project	Manager Technical Services; Manager Community Services; IDP/Town Planning Manager; Building Inspector; Development Planner; Community Liaison Officer
	47	Ncotshane Housing Project (880 houses) Implementation	41,000,000.00	250 houses completed out of 1100 Implementing Agent to be appointed waiting for Department of Housing to concur with Councils recommendation.	Percentage of the Ncotshane Housing Project (1100 houses) implemented, on schedule and within budget	Municipal Manager; Manager Technical Services; Manager Community Services; Housing & Social Development Officer; Asst Manager Community Services
	48	Belgrade - Planning for Settlement Formalization	34,320,000.00	Business Plan drafted and applied for funding - not implemented yet	Percentage progress with the Belgrade - Planning for Settlement Formalization project	Manager Technical Services; Manager Community Services; GIS Officer; IDP/Town Planning Manager; Development Planner
	49	Opening of Township Register for Ncotshane		not finalized	Percentage progress with the Opening of the Township Register for Ncotshane	Manager Community Services; Housing & Social Development Officer
	50	Sourcing Funding for providing/upgrading sports fields		0%	Percentage progress with the Sourcing of Funding for providing/upgrading sports fields	Manager Community Services; Asst Manager Community Services
	54	Internet connectivity for Libraries	6,000.00	Not implemented will commence in 2008/2009 financial year	Percentage progress with the Internet connectivity for the Libraries	Manager Community Services; Manager Corporate Services
	55	Provincial Lollipop Road Safety Programme	20,000.00	100%	Percentage of the proposed training programmes implemented	Manager Community Services; Asst Manager Protection Services
	56	Traffic Training of staff	250,000.00	100%	Percentage progress with the training of Traffic staff	Manager Community Services; Asst Manager Protection Services; Manager Corporate Services; HR Officer

uPHONGOLO LOCAL MUNICIPALITY'S ORGANIZATIONAL PMS 2007/2008

KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
Sound Financial Management	57	Preparation of Updating of Valuation Roll	2,200,000.00	Awaiting final Valuation Roll 60%	Percentage of the Valuation Roll already completed & implemented	Municipal Manager; Chief Finance Officer
	58	Internal Audit Resources (Shared) with ZDM	450,000.00	90%	Percentage progress with the completion of the Internal Audit process for the previous financial year	Municipal Manager; Chief Finance Officer
	59	Modification of Financial System based on GAMAP	75,000.00	20% - Planning Phase will be implemented July 2009	Percentage progress with the completion of the modification of the Financial System based on GAMAP	Municipal Manager; Chief Finance Officer
	60	Debt Reduction	126,000.00	With the transfer of Water and Sewer to ZDM there were a 33% reduction of Debt but in reality there was a 4% increase	Percentage reduction in debt achieved based on the outstanding debt as at 1 July 2007	Municipal Manager; Chief Finance Officer
Institutional Transformation and Governance	61	Computerize Workflow and of Document Management System/Archives/Registry Management	750,000.00	70%	Percentage of Computerized Workflow of Documents in Archives	Manager Corporate Services, Snr Administrative Officer, Snr Records Clerk
	62	Performance Audit Report	-	50%	Percentage of Finalization of Performance Audit of Section 57 Employees	Internal Auditors, Municipal Manager and Performance Audit Committee
	63	Municipal Website - update and Manage the website	10,000.00	95%	Percentage of completion and update of Website according to MFMA	Manager Corporate Services, Secretary MM, IT Manager
	64	Establishment of Communications Forum	10,000.00	100%	Amount of Meeting scheduled and attended for the Communications Forum.	Manager Corporate Services, Communications Officer, Mayor
	65	Compiling, printing and distribution of Internal and External News Letter	440,000.00	100%	Amount of Internal and External Newsletters publish for the measurement period.	Manager Corporate Services, Communications Officer
	66	Development skills training Programme	450,000.00	100%	Percentage of training attended as per the Skills Training Plan	Manager Corporate Services and Human Resource Officer
	67	IT Management, e-mail and firewall	300,000.00	100%	Percentage of IT Management Completed within the Budget	Manager Corporate Services, Snr Administrative Officer, IT Manager
	68	Belgrade linking of office to main office	50,000.00	100%	Percentage of linking of Belgrade Office Completed within the Budget	Manager Corporate Services, IT Manager, Snr Administrative Officer
	69	IT Upgrading	95,000.00	80%	Percentage of IT Equipment upgraded within the budget	Manager Corporate Services, IT Manager, Snr Administrative Officer

uPHONGOLO LOCAL MUNICIPALITY'S ORGANIZATIONAL PMS 2007/2008

KPA	Nr	PROJECT	BUDGET	PROGRESS	KPI	RESPONSIBILITY
Institutional Transformation and Governance	70	New Policies and By-Laws	20,000.00	60%	Percentage of the Policies and By-Laws implemented within the budget	Manager Corporate Services, Human Resource Officer,, Snr Administrative Officer, HOD's
	71	Policies and By-Laws bring in line with Legislation	50,000.00	60%	Percentage of the Policies and By-Laws brought in line with legislation within the budget	Manager Corporate Services, Human Resource Officer,, Snr Administrative Officer, HOD's
	72	Translation of Policies and By-Laws into Zulu	30,000.00	0% - Due to financial constraints not done	Percentage of Translations of Policies and By-Laws into Zulu within the budget	Manager Corporate Services, Human Resource Officer,, Snr Administrative Officer, HOD's
	73	Manage Telephone expenses	538,893.00	70% - all private calls made by staff are paid monthly	Percentage of telephone costs within the Budget	Manager Corporate Services, Snr Administrative Officer, Snr Records Clerk and Junior Records Clerk
	74	Annual Report	50,000.00	100%	Completion and printing of Annual Report within the Budget	Manager Corporate Services
	75	Five Year Strategic Plan	30,000.00	0%	Completion and printing of Five Year Strategic Plan within the Budget	Manager Corporate Services
	76	2nd Phase of the Office Building	20,000,000.00	0% - await funding	Percentage of the building completed within the budget in a 12 month period	Municipal Manager; Chief Finance Officer

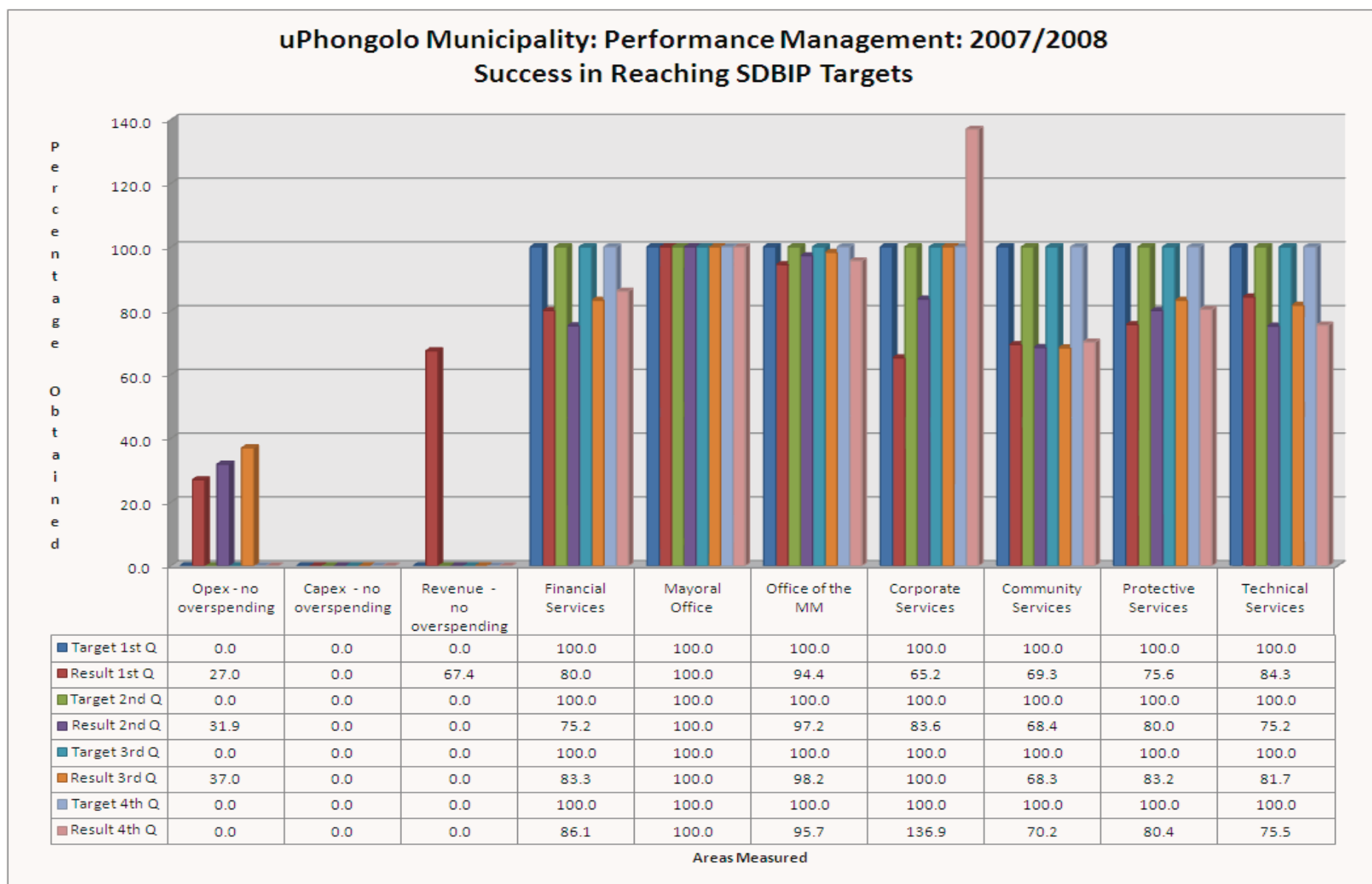
4.7 ORGANIZATION PERFORMANCE MANAGEMENT TARGETS FOR 2008/2009:

uPhongolo Local Municipality's Organizational PMS 2008/2009							
Strategic Focus Area	KPI No	KPI	Responsibility	Performance Target per Quarterly Assessment			
				1 Jul 2008 - 30 Sep 2008	1 Oct 2008 - 31 Dec 2008	1 Jan 2009 - 31 Mar 2009	1 Apr 2009 - 30 Jun 2009
Service Delivery	1	Planning for the upgrade of Sodwana Corridor thus improving the standard of the area.	Technical Manager	40	50	50	60
	2	Ext 4 Stormwater Ext 4, implement and finalize project to have services installed in order for further development to take place	Technical Manager	40	60	70	90
	3	Prepaid meters instalation Ext 4.	Technical Manager	30	40	45	45
	4	Candover Area - Provision of alternate energy to 606 households	Technical Manager	90	100	100	100
	5	Pongola New Roads and Stormwater Ext 4 - implementation of MIC Project to install outstanding services in order to upgrade the area.	PMU Manager	40	50	60	90
	6	Upgrading of De Waal Street to improve the industrial area	PMU Manager	50	80	90	100
	7	Landing Strip to be upgraded in order to comply with Sival Aviation Standard	Operations Manager	60	80	90	100
	8	Formalization of a Belgrade Cemetery site in order to comply with the Cemetery Master Plan	Technical Manager	40	60	70	75
	9	Upgrading of Gumbi Settlement (Housing Project)	Community Services Manager/Project Manager	20	30	35	40
	10	Source funding for HIV/AIDS Centre in order to assist community in this epidemic	Community Liaison Officer	30	40	45	50
	11	Implement the Disaster Management Plan in order to ensure readiness to handle disasters and assess whether the function is to be privatised or not.	Assistant Manager Protection Services	40	50	60	70
	12	Draft SDBIP as required by Legislation and deadlines to be met.	HOD's	100	50	80	90
Economic Development	13	Planning and development Ext 7	Technical Manager	40	50	50	60
	14	Recycling of Refuse in order to prolong the lifespan of the current dumpsite	Community Services Manager	30	50	70	80
	15	Implementing the Local Economic Development Plan for Pongolapoort Dam area	Municipal Manager	30	35	40	45
	16	Developing Marketing Plan and Strategy Branding Plan for Pongolapoort Dam, Lebombo SDF and St Lucia Wetlands	Municipal Manager	30	35	40	45
	17	Undertaking DFA application for the development of Candover Market Stalls	Municipal Manager	30	35	40	45
	18	Ward upliftment through the provision of LED Projects (Financial Assistance)	LED Officer	30	50	70	100
	19	Provincial Lollipop Road Safety Programme promoting Road Safety and creating jobs.	Community Services Manager	90	90	100	100
Institutional Development	20	To capacitate GIS Officer	Corporate Manager	30	50	60	70
	21	Linking of Belgrade Network to the main frame of the Finance System in order to improve service delivery and access to information	Corporate Manager	50	100	100	100
	22	Building of a formal Tourism Info Centre in order to improve on public service	Corporate Manager	30	35	40	60
	23	Develop a Housing Sector Plan in order to identify backlog housing in the Municipal area and to access funds therefore.	Community Services Manager	50	80	90	100
	24	Training of Traffic Staff to fully capacitate them as examiners in order to increase the income base of Council.	Community Services Manager	50	60	70	80
	25	Privatising Security function to ensure safe keeping of Municipal property.	Community Services Manager	80	60	90	100
	26	Appoint interns to participate in the FMG Intern Training Programme.	Financial Manager	50	70	90	100
	27	Fully implement the Archives Management System (Colaborator)	Corporate Manager	40	45	50	60

uPhongolo Local Municipality's Organizational PMS 2008/2009

Strategic Focus Area	KPI No	KPI	Responsibility	Performance Target per Quarterly Assessment			
				1 Jul 2008 - 30	1 Oct 2008 -	1 Jan 2009 -	1 Apr 2009 -
				Sep 2008	31Dec 2008	31 Mar 2009	30 Jun 2009
	28	Draft and obtain approval from Province for Local Municipality's Archives Plan for implementation.	Corporate Manager	30	35	40	45
	29	Develop a Skills Training Plan which will cater for the training needs of staff to ensure their training in phases over financial years	Corporate Manager	30	40	50	55
	30	IT Management by updating and ensuring that the IT Systems if fully operational at all times and equipment is update and maintained on a monthly basis	Corporate Manager	100	100	100	100
	31	Building of the second phase of offices and the Boardroom.	Municipal Manager	30	40	50	60
Financial Management	32	Increase income of Local Municipality by selling land and therefore promoting development, Ext 4, 219	Finance Manager	30	50	50	60
	33	Updating of valuation roll in order to comply with MPRA implementation	Finance Manager	40	80	90	100
	34	Undertake a debtors data cleansing y ensuring that debtors records are updated.	Finance Manager	20	60	70	80
	35	Ensure full functioning of the Internal Audit Commitee in order to comply with MFMA	Finance Manager	60	80	90	100
	36	Ensure that through the shared service uPhongolo is ready for MPRA implementation as from July 2009.	Finance Manager	40	80	90	100
	37	Commence procedures to ensure of timeous GAMAP GRAP conversion	Finance Manager	30	40	70	90
	38	Implement GAMAP GRAP Assets register.	Finance Manager	60	80	90	100
	39	Establish Supply Chain Management Unit.	Finance Manager	50	80	90	100
Good Governance & Public Participation	40	Development of Policies for Informal Trading, and Trading from containers	Town Planner	50	60	70	80
	41	Development of Policy on Bill Boards and Advertising	Town Planner	50	60	70	80
	42	Establish a HIV/AIDS Municipal Task Team	Community Liaison Officer	50	60	70	80
	43	Participating HIV/AIDS District Taks Team in order to address HIV related issues	Community Liaison Officer	50	60	70	80
	44	Development of a Tourism Brouchure in order to promote tourism and tourism facilities	Tourism Officer	30	40	45	50
	45	Drafting of a Tourism Events and Promotios Plan	Tourism Officer	80	100	100	100
	46	Update and ensure that Website is fully operational as required by the MFMA	Corporate Manager	30	45	60	70
	47	Ensure communication to the Public of latest news of deelopment in the area through Internal and External Newsletters.	Corporate Manager	50	60	70	80
	48	Access funding and investigate the possibility of registering Pongola Municipality as a service Training Center to promote ABET trining and other kinds of training within the area.	Corporate Manager	10	20	30	35
	49	Ensure compilation and publication of Annual Report as required by MFMA.	HOD's	30	80	100	100
	50	Ensure that PMS, KPA'S and KPI's is drafted as per Legislation and implemented.	HOD's	100	50	70	90

4.8 SUCCESS IN REACHING SDBIP TARGETS FOR FINANCIAL YEAR 2007/2008:



4.9 SDBIP PROJECTIONS FOR 2008/2009 PER DEPARTMENT:

MUNICIPAL MANAGER:

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
						Quarterly Targets					
		Annual Target	Revised Target	Quarter Ending September	Quarter Ending December	Quarter Ending March	Quarter Ending June				
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Municipal Managers Office											
1. Vote: Executive and Council											
1. Mayoral Office											
Report on implementation of budget	Submit quarterly to Council	4		1		1		1		1	
Performance indicators in S D B I P	Made public in July 2008	1		1							
Performance agreements in S D B I P	Made public in July 2008	1		1							
Time schedule of key deadlines for budget and IDP process	Tabled in August 2008	1		1							
Mid year performance assessment report	Tabled in January 2009	1						1			
Adjustments budget	Tabled in January 2009	1						1			
Annual report	Tabled in January 2009	1						1			
Draft budget, revisions to IDP, resolutions and other related documents	Tabled in March 2009	1						1			
Issues raised in Auditors-General report	Addressed in March 2009	1						1			
Consultation on draft budget	No. of meetings in April 2009	3								3	
Responds to submissions of community	Amends budget in May 2009	1								1	
Service Delivery and Budget Implementation Plan	Approve in June 2009	1								1	
Grants in aid		All		100%		100%		100%		100%	
2. Municipal Manager											
Monthly expenditure statements to Mayor	No. of statements	12		3		3		3		3	
Monthly expenditure statements and mid year budget and performance assessment	Consolidate in July 2008	1		1							
Consolidated report of withdrawals	Table quarterly	4		1		1		1		1	
Report to Council on the expenditure incurred on staff salaries, wages, allowances and benefits	Submit quarterly to Council	4		1		1		1		1	
Time schedule of key deadlines for budget and IDP process	Made public in July 2008	1		1							
Annual financial statements to Auditor-General	Submit end of August 2008	1		1							
IDP consultation processes	Start in August 2008	3		2		1					
Internal Strategic Consultation processes	Begin in September 2008	6				3		3			
Engages with national and provincial sector depts on sector spesific programmes for alignment with IDP	Begin in September 2008	4				4					
Impact of different service delivery levels on rates and tariffs	Inform community in Oct 2008	1				1					
National policies, budget plans and potential price increases of bulk resources	Review with dept heads in Oct 08	1				1					
Changes to the IDP for incorporation into IDP review	Review in November 2008	1				1					
Mid year performance assessment report to Mayor, N T and P T	Submit in January 2009	1						1			
Annual report	Made public in January 2009	1						1			
Annual report to AG, PT and D T & L G	Submit in January 2009	1						1			
National and Provincial allocations	Review in January 2009	1						1			

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

		Quarterly Targets									
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
				Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Municipal Manager (continues)											
Draft budget and plans for next 3 years to Mayor	Submit in February 2009	1						1			
Oversight report of annual report	Made public in March 2009	1						1			
Draft budget, plans and proposed revisions to IDP	Publish in March 2009	1						1			
Approved budget and budget related policies	Publish in June 2009	1								1	
Draft SDBIP and annual performance agreements to Mayor	Submit in June 2009	1								1	
Approved SDBIP to National Treasury	Submit in June 2009	1								1	
Declaration of interest	Management	All		100%		100%		100%		100%	
Appointment of Supply Chain Management Officials	Appointment letters in July	1		1							
2. Vote: Administration											
Correspondence received	Management/reply	All		100%		100%		100%		100%	
Executive resolutions	Management	All		100%		100%		100%		100%	

SDBIP PROJECTIONS FOR 2008/2009 PER DEPARTMENT:

MANAGER FINANCIAL SERVICES:

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009													
				Quarterly Targets									
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June			
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual		
Department - Financial Services													
1. Vote: Finance & Administration													
	Council	4		1		1		1		1			
	Exco	12		3		3		3		3			
	Manco	23		6		6		6		5			
	MAP	12		3		3		3		3			
	Financial Meeting	12		3		3		3		3			
1.1 Budget and Management Accounts													
Compilation of financial statements in terms of MFMA	Submitted to Auditor - General by 31 August 2008	1		1									
Time schedule of key deadlines for 2009/2010 budget	Submitted in August 2008	1		1									
Expenditure Statements	No. of Statements	12		3		3		3		3			
Consolidate and prepare proposed 2009/2010 budget	Started in August 2008	1		1									
6 monthly budget statements	Tabled in January 2009	1						1					
Adjustment budget for 2008/2009	Tabled in January 2009	1						1					
Budget related policies	Finalised in February	1						1					
Draft 2009/2010 budget	Tabled in March 2009	1						1					
Draft S D B I P for 2009/2010	Tabled in March 2009	1						1					
Primary banking account detail to Provincial Treasury and Auditor-General	Forwarded in March 2009	1						1					
Draft 2009/2010 budget to National Treasury (3 Copies)	Forwarded in April 2009	1								1			
Draft 2009/2010 budget to Provincial Treasury (1 Copy)	Completed and mailed in April 2009												
Appendix A completed and sent to PT and NT	Completed and mailed in April 2009												
Final 2009/2009 budget	Final 2009/2009 budget	1								1			
Final 2009/2010 budget to National Treasury	Forwarded in June 2009	1								1			
S D B I P for 2009/2010	Approved in June 2009	1								1			
Received and respond to Audut Report	Responded in January 2009	1						1					
Departmental meetings	Monthly meetings (Minutes)	12		3		3		3		3			
1.2 Revenue													
Monitor the implementation of credit control and indigent policies	Reporting monthly to MM	12		3		3		3		3			
Monitor debt collection targets	Reporting monthly to MM	12		3		3		3		3			
Consumer Accounts	Monthly	12		3		3		3		3			
Revenue Projections	Schedules & Reports	4		1		1		1		1			
Maintenance Valuation Roll	Monthly Interims	12		3		3		3		3			
Reconciliations	Debtors	All		100%		100%		100%		100%			
Reconciliations	Erven	All		100%		100%		100%		100%			
Bank reconciliations	Monthly	12		100%		100%		100%		100%			
1.3 Indigent relief													
Policy		All		100%		100%		100%		100%			
Management		All		100%		100%		100%		100%			
Allocations		All		100%		100%		100%		100%			

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

Quarterly Projections for Service Delivery Targets and Other Performance Indicators 2008/2009											
		Quarterly Targets									
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Financial Services											
1.4 Expenditure											
VAT	Management	All		100%		100%		100%		100%	
DoRA reports on all grants received	Submitted Monthly	100%		100%		100%		100%		100%	
SCM reports in accordance with regulations, policy and procedures	Submitted Quarterly	4		1		1		1		1	
Payroll is completed timeously and accurately	Completed within 7 working days of the end of the month	100%		100%		100%		100%		100%	
Payment of creditors on time in terms of Section 65 of MFMA	No. of creditors paid on time	100%		100%				100%		100%	
Investment of surplus cash	Ongoing	12		3		3		3		3	
Shortterm insurance	Policy received, premium paid monthly	12		3		3		3		3	
2. Vote: policies											
3. Vote: By-laws											
4. Vote: Lease agreements											
5. Vote: Financial system											
	Management	All		100%		100%		100%		100%	
	ABACUS releases	All		100%		100%		100%		100%	
	PAYDAY releases	All		100%		100%		100%		100%	
Assets register	Update monthly	12		3		3		3		3	
	Financial System Feb 2009	All								100%	
	Manual register	All		100%		100%		100%		100%	
	Inventories	All		100%		100%		100%		100%	
6. Vote: Financial institutions											
7. Vote: Equity fund administration											
	Management	All		100%		100%		100%		100%	

SDBIP PROJECTIONS FOR 2008/2009 PER DEPARTMENT:

MANAGER CORPORATE SERVICES:

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
						Quarterly Targets					
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Corporate Services											
1. Vote: Finance & Administration											
	Council	4		1		1		1		1	
	Exco	12		3		3		3		3	
	Amakosi	4		1		1		1		1	
	Manco	23		6		6		6		5	
	MAP	12		3		3		3		3	
1.1 Administration											
Compilation Agenda & Minutes	No. of Agendas and Minutes HR	6		2		2		2			
Enquiries and complaints	No. of replies	all		100%		100%		100%		100%	
Skills Development Plan	Submit report by June 2009	1								1	
Draft 2009/2010 budget	Submit in November 2008	1				1					
Draft 2009/2010 budget	Published in April 2009 & website	1								1	
Draft S D B I P	Submit in February 2009	1						1			
Approved 2009/2010 budget	Published in June 2009	1								1	
Performance agreements and S D B I	Made public in August 2008	1		1							
Performance Management System	PMS Implemented by June 2008	1								1	
Assets register	Inventories	All		100%		100%		100%		100%	
2. Vote: Community and Social Services											
Staff Wellness	No. of assistance rendered	All		100%		100%		100%		100%	
Work creation	No. of temp jobs created	5		5		5		5		5	
3. Vote: Planning and Development											
Skills Development	Staff	100%		25%		70%		100%		100%	
4. Vote: Bylaws											
Legislation		100%		25%		70%		100%		100%	
5. Vote: Policies											
Legislation		100%		25%		70%		100%		100%	
6. Vote: Stationery											
Management		100%		25%		70%		100%		100%	
7. Vote: Groceries											
Management		All		25%		70%		100%		100%	
8. Vote: Public Relations											
Community		100%		25%		70%		100%		100%	
9. Vote: Human Resources											
Staff	Management	100%		25%		70%		100%		100%	
Contractors	Management	100%		25%		70%		100%		100%	
10. Vote: Archives											
Management	Legislation	100%		25%		70%		100%		100%	
11. Vote: Incoming post											
Management		All		100%		100%		100%		100%	

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

						Quarterly Targets					
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
<u>Department - Corporate Services</u>											
<u>12. Vote: Suppliers</u>											
Compile suppliers data base	Ongoing	12		3		3		3		3	
<u>13. Vote: Rental purchase agreements</u>	Management	All		100%		100%		100%		100%	
<u>14. Vote: Grant management</u>	Agreements	All		100%		100%		100%		100%	
	Receipts	All		100%		100%		100%		100%	
<u>15. Vote: IT</u>	Management	All		100%		100%		100%		100%	
Policies	Asset Policy	All		100%		100%		100%		100%	
	Cemetery and Pauper Burial Policy	All		100%		100%		100%		100%	
	Credit Control and Debt Collection Policy	All		100%		100%		100%		100%	
	Debt Management Policy	All		100%		100%		100%		100%	
	Delegated Powers	All		100%		100%		100%		100%	
	HIV/AIDS Policy	All		100%		100%		100%		100%	
	Indigent Relief Policy	All		100%		100%		100%		100%	
	Induction Policy	All		100%		100%		100%		100%	
	Investment and Cash Management Policy	All		100%		100%		100%		100%	
	Mayoral Discrepancy Fund Policy	All		100%		100%		100%		100%	
	Overtime Policy	All		100%		100%		100%		100%	
	Procurement Policy	All		100%		100%		100%		100%	
	Rules and Orders Policy	All		100%		100%		100%		100%	
	Tariff Policy	All		100%		100%		100%		100%	
	Smoking Policy	All		100%		100%		100%		100%	

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

						Quarterly Targets					
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
<u>Department - Corporate Services</u>											
By-laws	Building Regulations By-Laws	All		100%		100%		100%		100%	
	Cemetery and Crematorium By-Laws and Master Plan	All		100%		100%		100%		100%	
	Electricity By-Laws	All		100%		100%		100%		100%	
	Environmental By-Laws	All		100%		100%		100%		100%	
	Fences Management By-Laws	All		100%		100%		100%		100%	
	Fire Prevention By-Laws	All		100%		100%		100%		100%	
	Fleet Management By-Laws	All		100%		100%		100%		100%	
	Housing By-Laws	All		100%		100%		100%		100%	
	Indigent Relief By-Laws	All		100%		100%		100%		100%	
	Municipal Building By-Laws	All		100%		100%		100%		100%	
	Municipal Land By-Laws	All		100%		100%		100%		100%	
	Nuisance By-Laws	All		100%		100%		100%		100%	
	Outdoor Advertisement By-Laws	All		100%		100%		100%		100%	
	Parks / Open spaces By-Laws	All		100%		100%		100%		100%	
	Peace Initiative By-Laws	All		100%		100%		100%		100%	
	Pollution Control By-Laws	All		100%		100%		100%		100%	
	Pound By-Laws	All		100%		100%		100%		100%	
	Property Encroachment By-Laws	All		100%		100%		100%		100%	
	Road Management By-Laws	All		100%		100%		100%		100%	
	Safety and Health By-Laws	All		100%		100%		100%		100%	
	Sewer and Draining By-Laws	All		100%		100%		100%		100%	
	Sidewalk Management By-Laws	All		100%		100%		100%		100%	
	Storm water Management By-Laws	All		100%		100%		100%		100%	
	Street Trading By-Laws	All		100%		100%		100%		100%	
	Swimming Pool By-Laws	All		100%		100%		100%		100%	
	Town Planning By-Laws	All		100%		100%		100%		100%	
	Waste Management By-Laws	All		100%		100%		100%		100%	
	Water By-Laws	All		100%		100%		100%		100%	

SDBIP PROJECTIONS FOR 2008/2009 PER DEPARTMENT:

MANAGER COMMUNITY SERVICES:

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
						Quarterly Targets					
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Community Services											
1. Vote: Finance & Administration											
	Council	4		1		1		1		1	
	Exco	12		3		3		3		3	
	Manco	23		6		6		6		5	
	MAP	12		3		3		3		3	
	Refuse Contractors	4		1		1		1		1	
	Justice	12		3		3		3		3	
1.1 Administration											
Compilation Agenda & Minutes	No. of Agendas and Minutes										
	Social Development	6		2		2		2			
	Housing	6		2		2		2			
	Youth and Sport	20		10		10					
Enquiries and complaints	No. of replies	100%		100%		100%		100%		100%	
Draft 2009/2010 budget	Submit in November 2008	1				1					
Draft S D B I P	Submit in February 2009	1						1			
Performance Management System	PMS Implemented by June 2008	1								1	
Assets register	Inventories	All		100%		100%		100%		100%	
2. Vote: Community and Social Services											
Sports / Activities	No. of events	6		2		2		2			
Cultural Development	No. of events	9		3		3		3			
Staff Wellness	No. of assistance rendered	10		5		5					
Youth Activities / Other programs	No. of programmes	12		3		3		3		3	
Community gardens (re-evaluation)	No. of gardens	100%		25%		50%		75%		100%	
Work creation	No. of temp jobs created	300		75		75		75		75	
	Events	11		5		3		3			
Community Liaison	Community	100%		100%		100%		100%		100%	
3. Vote: Community and Social Services											
3.1 uPhongolo Library											
	Management	all		100%		100%		100%		100%	
	Projects	all		100%		100%		100%		100%	
3.2 Ncotshane Library											
	Management	all		100%		100%		100%		100%	
	Projects	all		100%		100%		100%		100%	
4. Vote: Housing											
Housing Plan	Appointed by August 2008	1								1	
Housing Scheme -	Infrastructure completed	100%		50%				50%			
Greenfields	850 Houses	40%		10%		10%		10%		10%	
Administration	New Development	60%		15%		15%		15%		15%	

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
						Quarterly Targets					
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Community Services											
5. Vote: LED Projects											
Pongola Canning Factory	Project	1		20%		30%		70%		100%	
uPhongolo Municipality LED Project - Ward Upliftment	Project	1		20%		30%		70%		100%	
Establishment of LED Plan	Project	1		20%		30%		70%		100%	

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Community Services (Manager: Protection Services)											
1.Vote: Finance & Admin (Protection Services)											
Enquiries and complaints	No. of replies	all		100%		100%		100%		100%	
Draft 2008/2009 budget	Submit in November 2008	1				1					
Assets register	Inventories	All		100%		100%		100%		100%	
2.Vote: Public Safety											
2.1 Traffic											
Road Safety Projects	No. of projects	3		1		1		1			
Road Signs		all		100%		100%		100%		100%	
Road Markings	Roads	all		100%		100%		100%		100%	
2.2 Fire Fighting/Disaster Management Prevention											
No. of reactions to calls		all		100%		100%		100%		100%	
3.Vote: Road Transport											
3.1 Testing Grounds											
Examination of vehicles	No. of vehicles		3925								
Motor Registrations & Licensing :	Units of one hundred	100%	497	100%		100%		100%		100%	
Driver's Licences: Bookings	No. of bookings	100	131	1875		1875		1875		1875	
Passed	No. of passes	52	360	1312		1312		1312		1312	
Learner's Licences: Bookings	No. of bookings	152	121	2600		2600		2600		2600	
Passed	No. of passes	20	7	1820		1820		1820		1820	
Trade Licences	Management	6	255	30		50		50		20	
Roadworthy/Certificates	No. of bookings	780	222	1875		1875		1875		1875	
Passed	No. of passes	46	2	1687		1687		1687		1687	
Instructors	Certificates	1	350	4		4		4		4	
Public Driver Permits	Management	7	25	357		357		357		357	
Information	Enquiries	56	0	14		14		14		14	
Traffic	Management	All		100%		100%		100%		100%	
Court	Court fines	All	77600	100%		100%		100%		100%	
Driver's Licences: Cards issued		All	1013								
Temporary Driver's Licences		All	814								
Hawker's Licences		All	48								
4. Vote: Pound											
Management	Legislation	All		20%		30%		30%		20%	
Public Awareness	Legislation	All		100%		100%		100%		100%	

SDBIP PROJECTIONS FOR 2008/2009 PER DEPARTMENT:

MANAGER COMMUNITY SERVICES:

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
		Quarterly Targets									
Vote/Indicator	Unit of Measurement	Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March	Actual	Quarter Ending June	
				Projected	Actual	Projected	Actual	Projected		Projected	Actual
Department - Technical Services											
1. Vote: Finance & Administration											
	Council	4		1		1		1		1	
	Exco	12		3		3		3		3	
	Manco	23		6		6		6		5	
	MAP	12		3		3		3		3	
	Technical	12		3		3		3		3	
	Grasscutting Contractors	4		1		1		1		1	
Enquiries and complaints	No. of replies	100		100		100		100		100	
Draft 2009/2010 budget	Submit in November 2008	1				1					
Admin	Correspondence	All		100%		100%		100%		100%	
Assets register	Inventories	All		100%		100%		100%		100%	
2. Vote: PMU Manager											
Projects	Capital	All		100%		100%		100%		100%	
Business Plans	Capital	All		100%		100%		100%		100%	
- Pongola Gravel Roads	Capital	All		100%		100%		100%		100%	
- Belgrade Gravel Roads	Capital	All		100%		100%		100%		100%	
- Belgrade Storm Water	Capital	All		100%		100%		100%		100%	
- Ncotshane Storm Water	Capital	All		100%		100%		100%		100%	
- Ncothasane: Magwinsi Street	Capital	All		100%		100%		100%		100%	
- Pongola Storm Water	Capital	All		100%		100%		100%		100%	
Administration	Management	All		100%		100%		100%		100%	
	MIG meeting	All		100%		100%		100%		100%	
	Monthly meeting	12		3		3		3		3	
Financial Reporting											
- Emma	Reporting	All		100%		100%		100%		100%	
- DORA	Reporting	All		100%		100%		100%		100%	
Assets register	Inventories	All		100%		100%		100%		100%	
3. Vote: Planning & Development											
Town Planner	Contractual appointment	1		1							
Draft Integrated Development Plan	Approved	100%	100%	100%		100%		100%		100%	
Final Integrated Development Plan	Approved	100%	100%	100%		100%		100%		100%	
Land Use Management (Urban)	Completed by June 2009		1	10%		10%		10%		1	
Attached summary list											
Assets register	Inventories	All		100%		100%		100%		100%	
4. Vote: Planning & Development											
Building inspections conducted	No. of building inspections	300		75		75		75		75	
Property inspections conducted	No. of property inspections	500		125		125		125		125	
G I S information capturing	No. of captures	200		50		50		50		50	
	Maps	All		100%		100%		100%		100%	
	Administration	All		100%		100%		100%		100%	
Assets register	Inventories	All		100%		100%		100%		100%	
Town Planning Scheme	Legislation	3		100%		100%		100%		100%	

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
Quarterly Targets											
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Technical Services											
5. Vote: Community & Social Services											
Cemetery	No. of graves dug	225		63		63		63		63	
Management	Master Plan	1		1							
	Site numbering	100%									
	Register	100%		100%		100%		100%		100%	
6. Vote: Parks & Open spaces											
Operational - Belgrade	Maintenance	All		100%		100%		100%		100%	
- Golella	Maintenance	All		100%		100%		100%		100%	
- Ncotshane	Maintenance	All		100%		100%		100%		100%	
- Pongola	Maintenance	All		100%		100%		100%		100%	
Pest Control	Management	All		100%		100%		100%		100%	
7. Vote: Caravan Park											
Operational	Maintenance	All		100%		100%		100%		100%	
8. Vote: Aerodrome											
Operational	Maintenance	All		100%		100%		100%		100%	
9. Vote: Municipal Buildings											
Operational	Maintenance	All		100%		100%		100%		100%	
10. Vote: Municipal Land											
Operational	Maintenance	All		100%		100%		100%		100%	
11. Vote: Housing											
Upgrade staff accommodation	No. of square metres (m²)										
Upgrade staff houses	No. of houses	40		10		10		10		10	
12. Vote: Refuse Removal											
Refuse bins	Deliver by March 2009	3000								3000	
Operational											
- Belgrade	Management/Removal	All		100%		100%		100%		100%	
- Golella	Management/Removal	All		100%		100%		100%		100%	
- Itchelejuba	Management/Removal	All		100%		100%		100%		100%	
- Illovo	Management/Removal	All		100%		100%		100%		100%	
- Ncotshane	Management/Removal	All		100%		100%		100%		100%	
- Pongola	Management/Removal	All		100%		100%		100%		100%	
Refuse dump	Master Plan	1		1							
Operational	Management	100%		100%		100%		100%		100%	
13. Vote: Road Transport											
Access road resurfacing	No. of square metres (m²)	42000		10500		10500		10500		10500	
Sidewalks	No. of meters	500		125		125		125		125	
Kerb replacement	No. of meters	300		75		75		75		75	
Catchpits and manhole covers	No. to be completed	40		20		10		20		10	

[illegible]

[illegible]

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

				Quarterly Targets							
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March		Quarter Ending June	
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Technical Services											
14. Vote: Road Transport (cont.)											
Fences	Maintenance	All		100%		100%		100%		100%	
Upgrade rural roads (Belgrade)	No. of kilometres (km)	120		120							
Causeways	No. of causeways	16		4		4		4		4	
Upgrade access roads	No. of kilometres (km)	150		50		50		50			
15. Vote: Other											
Workshop											
Service municipal vehicles	No. of vehicles	25		7		7		7		4	
Earth equipment		6		2		2		2			
Equipment		All		100%		100%		100%		100%	
16. Vote: LED Projects											
Local Community Improvement Grant	Project	1		20%		30%		70%		100%	
Establishment of Local Service Providers Database (specifically PP Dam)	Project	1		20%		30%		70%		100%	
Training and Accreditation of Local Service Providers (specifically PP Dam)	Project	1		20%		30%		70%		100%	
Facilitate Filling Station Development at Belgrade Market Stall	Project	1		20%		30%		70%		100%	
DSWPD Community Based Projects	Project	1		20%		30%		70%		100%	
17. Vote: Sewer											
Operational	Departmently	All		100%		100%		100%		100%	
18. Vote: Water											
Operational	Departmently	All		100%		100%		100%		100%	
19. Vote: Electricity											
(Electricity distribution)	Operational	All		100%		100%		100%		100%	
Meters	Readings	All		100%		100%		100%		100%	
19.1 Capital Projects											
1) 11kva Electrical Network, Extension 4, Pongola	R 2,800,000.00	PROJECT		20%		30%		70%		100%	
2) 11kva Electrical Network, Extension 7, Pongola	R 1,100,000.00	PROJECT		20%		30%		70%		100%	
3) Ring Feed Connection Residential Area	R 950,000.00	PROJECT		20%		30%		70%		100%	
4) Re-routing of Overhead Lines, Industrial Area	R 350,000.00	PROJECT		20%		30%		70%		100%	
5) Infrastructure, Business Area, Extension 4	R 1,800,000.00	PROJECT		20%		30%		70%		100%	

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009

Quarterly Projections for Service Delivery Targets and other Performance Indicators 2008/2009											
		Quarterly Targets									
		Annual Target	Revised Target	Quarter Ending September		Quarter Ending December		Quarter Ending March			Quarter Ending June
Vote/Indicator	Unit of Measurement			Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Department - Technical Services											
1.1 Capital Projects (cont.)											
6) Infrastructure, Industrial Area, Extension 1	R 1,100,000.00	PROJECT		20%		30%		70%		100%	
7) Infrastructure, Residential Area, Extension 4	R 800,000.00	PROJECT		20%		30%		70%		100%	
8) Infrastructure, Low Cost Housing Connections	R 4,100,000.00	PROJECT		20%		30%		70%		100%	
9) Extension of Bulk Distribution, Rural Area	R 4,800,000.00	PROJECT		20%		30%		70%		100%	
10) Residential Connection, Magudu Area	R 4,700,000.00	PROJECT		20%		30%		70%		100%	
11) Cluster Household Connections	R 9,000,000.00	PROJECT		20%		30%		70%		100%	
12) Mast Lighting Intersections	R 850,000.00	PROJECT		20%		30%		70%		100%	
13) Upgrading, Electrical Network, Central Business Area	R 650,000.00	PROJECT		20%		30%		70%		100%	
2.1 STREETLIGHTS											
uPhongolo (poles, cables & structures)	As per required project			x		x		x		x	
Ncotshane (poles, cables & structures)	As per required project			x		x		x		x	
uPhongolo	As per required project	200		100		x		x		x	
Ncotshane	As per required project	16 mass		100		x		x		x	
Belgrade	As per required project	6 mass		100		x		x		x	
3.1 HV EQUIPMENT											
HV surge arrester to install	As per required project			x		x		x			
HV cross arms & fuse links	As per required project			x		x		x		x	
Refurbish HV equipment & upgrading	As per required project			x		x		x		x	
4.1 REPAIRS & MAINTENANCE											
SUBSTATION MAINTENANCE	AS PER ELECTR MAINT PLAN			x		x		x		x	
MINI SUBSTATION, TRANSFORMERS	"	48		14		11		13		10	
OVERHEAD LINE MAINT	"			ongoing		x		x		x	
NETWORK	"			ongoing		x		x		x	
ELECTRICAL METERS	"	All		100%		100%		100%		100%	

KPA 5: GOOD GOVERNANCE

5.1 PUBLIC PARTICIPATION, ACCOUNTABILITY AND TRANSPARENCY

Grants-in-aid by Municipalities are regulated in terms of the provisions of section 111(1) of the Local Authorities Ordinance No. 25 of 1974. This Ordinance states that:

“No grants shall be made to body, institution or organization:

Which has or appears to have political aims or objectives, which exclusively serves a religious purpose of denominational character, or from which any person derives financial gains other than remuneration for services rendered.

While grants-in-aid to organization that in the opinion of the council serve the public are permitted, they must be applied strictly in terms of the criteria as set out in terms of the law. Any deviations of such are illegal.

The budget for Grants in Aid Fund was Budgeted for R1 250 000.00 for the financial year 2007/2008 and Business Plan was approved by Council.

5.2 YOUTH DEVELOPMENT

The Youth council plays a leading role in submitting comments to the Council and by addressing the issues faced by the youth.

Furthermore, Council offers bursaries to encourage the youth to further their studies. Council budgeted R235 722.78 under the Mayoral Bursary Fund for payment of students' fees. In 2007 Council had eight students who were funded by the Mayoral Bursary Fund, five of the students were doing their final year and three were in their third year of study.

In 2007 Council funded seven students with bursaries and four students for registration only of which Council had a total of nine students. Council utilized an amount of R20 000.00 for the celebration of Youth Day.

Community Participation is of great value to the uPhongolo Council; all avenues are exploited to ensure broad community participation.

Visits to all communities within the demarcated areas. Mobilization of all youth organizations in the uPhongolo Municipal area for participation in government and local government activities through the youth Council i.e. Kwanaloga Games and Mayoral Cup, Abstinence Walk, etc.; visit schools to mobilize youth to participate in the democratic process of elections.

5.3 GRANTS-IN-AID FUND BUSINESS PLAN 2007 / 2008

1. EXECUTIVE SUMMARY

It can never be possible to foresee all things, which might transpire within UPhongolo Municipality area, but it is always ideal to plan ahead and create a Business Plan that contains a budget for all necessary events, activities or even any kind of a disaster that might strike in order to financially cater for without major inconveniences.

The Grants-in-aid Fund Policy States that the main aim for the Grants-in-aid Fund would be to allow the Honourable Mayor to make funds available for immediate needs without having to obtain Council approval beforehand. The Grants-in-aid Fund Business Plan is aimed at assisting the Honourable Mayor in smoothly carrying out the Grants-in-aid Fund concerned services according to their allocated funds and in line with section 111(1) of the Local Authority Ordinance.

1.1 VISION STATEMENT

The Mayoral Upliftment Programme Fund will attempt to ensure that uPhongolo Municipal areas are characterized by an improved quality of life based on equitable and non-discriminating access to the economic development and employment opportunities for all racial groups. The programme will be aligned with the 'co-operated governance orientated' uPhongolo Municipality vision and statement, which is as follows.

Vision: 'A dynamic Socio- economic Environment created through sustainable service delivery in the Municipal area'

Mission: 'improvement of the quality of life of communities in our area of jurisdiction through sustainable delivery'

2. GRANTS-IN-AID FUND

2.1. Background (as outlined in the Policy)

Grants-in-aid by Municipalities are regulated in terms of the provisions of section 111(1) of the Local Authorities Ordinance No. 25 of 1974. This Ordinance states that:

"No grants shall be made to body, institution or organization:

- I. Which has or appears to have political aims or objectives.
- II. Which exclusively serves a religious purpose of denominational character, or
- III. From which any person derives financial gains other than remuneration for services rendered.'

While grants-in-aid to organization that in the opinion of the council serve the public are permitted, they must be applied strictly in terms of the criteria as set out in terms of the law. Any deviations of such are illegal.

3. MAYORAL BURSARY FUND

ALLOCATED AMOUNT: R200 000.00

This programme was formulated in December 2004 after discovering the obvious increased need of young people seeking help to further their studies. There was also a large number of application letters addressed to the Honourable Mayor and the Municipal Manager requesting financial assistance for education. This clearly indicates the need for training and career equipping of our financially disadvantaged young people. This can only be effectively achieved if there are guiding principles that will influence the decision making process in order to address this grant funding issue, that is a policy

The Honourable Mayor's office acknowledges the need for young and older people to be exposed to information that will empower them in an uncompromising manner. It is therefore one of the Honourable Mayor's primary aim to ensure that matric is not the ending point for most disadvantaged young people. Our people need to benefit from skills development initiatives and be provided with opportunities that would enhance their involvement in every aspect of life.

Many are times that people forward applications to the Municipality and assumingly other companies or organizations for certain positions advertised. It is crushing to state that more than half of the applications do not qualify. In most cases it is not a matter of years of experience required that is a problem, but the highest level of education that a person has, which is usually **matric!**

Unemployment is one of the biggest problems that our country is facing. It is our duty as the Local Municipality to play a great role with an attempt to minimize the high rate of unemployment. The victims of unemployment suffer the most within the low-income group with a high rate of turnover. In large measures, these people remain either within domestic or farming sector as casual workers for most of their lives.

It is unfortunate that not everyone can benefit from this immediately. Due to the limited amount of funds allocated each year, only limited number of people can be assisted within a period of four years. Hereunder are terms and conditions of the Mayoral Education Funding Programme.

3:1 DETAILED INFORMATION/

BACKGROUND INFORMATION - MAYORAL BURSARY FUND

Eight students are currently studying five of them are funded through the Mayoral Bursary Fund and three were funded by the Additional Education support and they were funded only for registration for 2007 in different Institutions. Four of these students are doing their final years in their different field of studies. We only got one student who will be sponsored in 2008, of which it means we are going to select another five successful candidates for the year 2008.

3:2 TERMS AND CONDITIONS OF THE MAYORAL EDUCATION FUNDING PROGRAMME

- 3.2.1. Only applications of matriculants under uPhongolo Municipality Area are to be considered. Depending on the need thereof.
- 3.2.2. Two applications will be considered in a period of four (4) years. Should there be more funds available, more students can be funded
- 3.2.3. Only financially disadvantaged applicants will be considered.
- 3.2.4. Only applicants going for tertiary education for the first time will be considered.
- 3.2.5. The successful applicants should ensure that all academic courses are passed, and should they, for any reason, fail certain subjects in the semester or a year, the Programme will not be responsible for the supplementary, an extra or an additional year's costs incurred.
- 3.2.6. The Educational Funding Programme will only meet the following costs:-
 - I. The tuition fees in each of the four Academic years,
 - II. The accommodation within the campus, unless the residencies are full
 - III. If applicants reside outside the campus, certain means will be made for the reasonable living allowance.

3.3 COMMITMENT FOR 2007/2008

NAME	INSTITUTION	STUDY COURSE	AMOUNT BUDGETED	2007 INITIAL PAYMENT	2008 INITIAL PAYMENT
Mr A N Mhlongo	UKZN	Electrical Engineering	R23 000.00	R11 254.00	None
Mr J J Msane	MANTECH	Info Tech	R26 935.88	R14 000.00	None
MR S Sukazi	UNIZUL	B Com. Management	R26 000.00	R10 000.00	None
Mr N P Mathebula	DUT	Ecotourism	R22 506.67	R11 254.00	None
Mr B Khumalo	UKZN	Agric	R61 301.00	R20 000.00	R20 000.00

4. ADDITIONAL EDUCATIONAL SUPPORT

ALLOCATED AMOUNT: R20 000.00

The office of the Mayor has received quite a number of requests from students who had passed matric with good results and being accepted to tertiary institutions but don't have the funds for registration. These funds will enable us to fund more students towards their education.

5. BASIC TRAINING

ALLOCATED AMOUNT: R20 000.00

The aim in this regard is to target the usually overlooked entities within the community. In our community we have our local contractors that apply for tenders advertised by our Municipality. We also have funded community projects with huge amounts of money; projects like block making, sewing projects, garden projects, and also poultry projects. These projects need sustainable attention. It would therefore be wise to initiate Workshops and seminar programmes to be conducted for them in order to gain more skills. Hereunder is a few of the activities planned:

ACTIVITIES PLANNED

- GENDER POLICY WORKSHOPS
- SKILLS DEVELOPMENT FOR THE LOCAL CONTRACTORS SEMINAR
e.g.
 - Marketing your services
 - Drawing up a business plan
 - Communication skills
 - Managing Personnel & finance
 - Tax returns
- COMMUNITY BASED PROJECTS' WORKSHOP

6. DISASTER RELIEF FUND

ALLOCATED AMOUNT: R40 000.00

Accidents and natural disasters are non-preventable incidents that the communities come across every year. These are natural catastrophes that cause great damage and sometimes a lot of people who are affected by these losses deserve to get financial assistance. The Disaster Relief Fund is allocated to assist during these incidents.

7. POVERTY ALLEVIATION YOUTH PROGRAMMES

ALLOCATED AMOUNT: R115 000.00

A process of conscientisation is an essential requirement to the lives of our youth because it builds critical analytical skills for an individual to gain self-confidence in order to take control of his or her own life. There are social roles allocated to the youth both men and women. Such roles, and the differences between them, are conditioned by a variety of political, economic, ideological and cultural factors. Most of them overlook and mostly misunderstand the roles they have to play because they are driven by zeal for entertainment for having fun.

Our institution is politically based, and because of less attention they give to us, they misinterpret and misunderstand our work, service delivery to the community. We need to attract their interest in Local Government issues by involving them in the development process, decision-making process and even in the activities and events organized for them. This will create a broad state of awareness for the young community.

There are many areas of focus that uPhongolo Municipality should concentrate on when addressing the youth programme issues. The youth needs to be exposed to information that will empower them in an uncompromising manner. The office of the Honourable Mayor will ensure that the youth gains access to information benefits from skills development initiatives and are provided with opportunities that would enhance their involvement in such initiatives. Hereunder the activities planned for the youth.

7.1 ACTIVITIES

- HIV/AIDS AWARENESS AND TEENAGE PREGNANCY: **01 DECEMBER 2007**
- YOUTH DAY CELEBRATION
- YOUTH SUMMIT AT LOCAL LEVEL
- FIGHT AGAINST STREET LIFE TARGETED TO STREET AND THE SO CALLED BURGERS
- UKUHLOLWA KWEZINTOMBI NEZINSIZWA

8. WOMEN PROGRAMMES:

ALLOCATED AMOUNT: R60 000.00

The women are the strengths of every household to empower them, therefore meaning that you are empowering the whole nations. These funds will be utilized to empower women e.g. those women who are in business to workshop them on how to maintain their businesses and to encourage those who are still not in businesses to start their businesses.

We will target those women that are in rural areas who were disadvantaged and make sure that we give them the opportunity to develop themselves.

9. THE AGED/ PHYSICALLY CHALLENGED

ALLOCATED AMOUNT: R30 000.00

In this category, the target group is as follows:

- Pensioners
- Physically Challenged Adults
- Disabled

It is our duty to ensure that the abovementioned groups are accommodated as a very important part of the community, not just by hosting those functions but by also acknowledging capabilities. They need to be assisted in bringing up their own projects that they wish to initiate.

Some of the physically challenged children have no idea of what fun is. Their physical disability should not be allowed to prevent them from dreaming and being hopeful. They need to be encouraged to utilize the gifts that they have, regardless of their physical state. It lies upon us to work with the appropriate government departments in fighting disabled lives and by all means bring hope to their seemingly lifeless world.

Today, the pensioners or the aged have more on their plate than they can bear. They have granddaughters and grandsons to look after. They also, end up feeling old and left out on things. They have played a great role prior to the apartheid regime. It is because of them that the lives of the African family are celebrating ten years of democracy. They too need to be acknowledged and make up for the lost time of freedom.

9.1 ACTIVITIES PLANNED (Each donated for, with)

- 9.1.1 CHRISTMAS PARTY FOR THE ELDERLY
- 9.1.2 SPORTS DAY FOR THE PHYSICALLY CHALLENGED
- 9.1.3 CULTURAL DAY FOR THE ELDERLY

These activities should take place between the year 2008 and 1 July 2009 on dates still to be confirmed.

10. HIV/AIDS PROGRAMME

ALLOCATED FUNDS: R40 000.00

The question of how to deal with AIDS is a question that we, as communities and individuals, should begin to think ourselves. Our responsibility is to provide HIV- positive men and women and also those that are negative with comprehensive information about the risk associated with childbearing as part of routine public information about HIV/AIDS, to ensure they have choices of action, and to respect and support the decisions they make.

HIV/AIDS is a very serious problem in South Africa especially in KwaZulu-Natal. It affects women disproportionately to men. The power imbalance between women and men interpersonal relations contributes to this growing pandemic. There is an increasing number of HIV/AIDS orphans who are heads of households with no source of income.

This means providing good quality, user friendly and easily accessible information on the issue. For women and their partners to make informed decisions about childbearing in the AIDS era, they need to know and understand the implication of their status. As the Municipality, we need to play our role in creating an aware community from children to adults. We can effectively do this if we work with the appropriate organizations and government sectors.

10.1 PLANNED ACTIVITIES

- HIV/AIDS AWARENESS DAY
- DONATING TO CAREGIVERS OF HIV/AIDS INSTITUTIONS
e.g. CHILDBEARING IN AIDS ERA

11. COMMUNITY COMPUTER PROGRAMMES

ALLOCATED AMOUNT: R45 000.00

UPhongo Municipality area has about 9 Community Halls with all Amakhosi jurisdictions. The Honourable Mayor wishes to initiate a Computer Programme by purchasing one computer per community Hall that community members can use. Certain Computer Literate Volunteers will be allocated to monitor and assist community members that need to use these computers. If there are more funds available, printing machines will be added.

Certain computer organizations will be approached with a proposal of initiating a training programme for community members interested in taking basic computer training

12. MAYORAL EVENTS FUND

ALLOCATED AMOUNT: R50 000.000

These funds will be utilized during the events done in the office of the Mayor and to donate to those requests sent to the office of the Mayor for financial assistance in different events done by the community.

13. MAYORAL PROMOTION MATERIAL

ALLOCATED AMOUNT: R30 000.00

Most of the Mayoral functions have no promotion material. These funds can be used to buy basic promotion material containing the Municipality and other relevant Municipal information.

14. NEWS PUBLISHING AND ADVERTS

ALLOCATED AMOUNT: R20 000.00

There are articles and adverts regarding the mayoral events, functions and activities that the public will need to be informed of. These funds will be used on such expenses and if they are unused, they will be added to the Mayoral promotion material funds.

15. KWANALOGA GAMES

ALLOCATED AMOUNT: R300.000.00

uPhongolo Municipality is part of developing the talent of young stars at uPhongolo area. These funds will be utilized to the Kwanaloga Games and also in Mayoral Cup. These programmes are the most important ongoing projects for the development of the youth of uPhongolo area.

16. TRADITIONAL BASED FUND

ALLOCATED AMOUNT: R30 000.00

These funds are allocated to support the traditional houses. Normally we do receive application from the Amakhosi for donations towards their functions

17. WARD UPLIFTMENT FUND

ALLOCATED AMOUNT: R297, 500.00

In the grant – in – aid – fund there is a Ward Upliftment Fund which is allocated for the development of Wards and the improvement of the lives of the community in the Wards. These funds allocated, will help to ensure that the communities in the Wards, their needs are being met.



18. CONCLUSION

The Grants-in-aid Fund 2007/ 2008 draft Business Plan is a document that defines the Honourable Mayor's vision and states what plans need to be done to achieve the above-stated goals. There are challenges faced in the implementation process but these challenges faced in the implementation process need to be addressed in a way that would promote participation of everyone involved, especially, the community. The formulated Business Plan will have to be monitored accordingly. It would therefore be necessary for the Executive committee and the Council and officials to support and co-operate in the implementation of this plan.

5.4 COUNCIL MEETS THE PEOPLE:

In order to be responsive to peoples' needs and to be accessible to people, the Councillors of the different Wards meet once a month with the people to interact with them. This process affords people in each Ward to raise issues of concern. This platform is also used to disseminate important information of Council to the people.

5.5 COMMUNITY DEVELOPMENT WORKERS:

President Thabo Mbeki, in his State of the Nation Address at the Opening of Parliament in February 2003 announced that "government will create a public service echelon of multi-skilled community development workers". The need for community development workers became clear during the Imbizo, when the President, Cabinet Ministers, MEC's and other Government Officials visited different communities.

The Provincial and Local Government are responsible for the Community Development Workers. We have appointed six (6) Community Development Workers that are spread across the Wards. The Community Services Manager along with the Community Liaison Officer is supervising the community Development Workers at local level.

We have introduced the programme of the Community Development Workers and it's operating effectively. The Community Development Workers programme plays a leading role in advancing the objective of Government by popularizing democratic participation at local level and providing access for people to government services. Each Community Development Workers are deployed in the various Wards to ensure that proper attention is provided by each state department in terms of service delivery.

The CDW's are the extended hand of the Municipality, they work to participate in all Municipal dealings be it Sport, Youth, Disaster and other Community related issues. They mostly work hand in hand with the Ward Councillors and Ward Committees.

5.6 WARD COMMITTEES

Ward Committees were established in 11 Wards within our jurisdiction. All Ward Committees are functional and meet on a regular basis. All different sectors of the communities are represented on the Ward Committees. They play a leading role in deepening democracy and ensuring genuine public participation in the affairs of Council.



Ward Committee Meeting

5.7 CORPORATE GOVERNANCE

OFFICE OF THE MAYOR AND SPEAKER:

Administrative support for Councillors

The Office of the Snr Administration provides administrative support along with the Secretary of the Honourable Mayor for all Councillors on a daily basis. Processing of Councillors claims, transport and accommodation arrangements when the need arises.

The Secretary of the Honourable Mayor also assists the public and manages budget control of the Grants and Aid Fund of the Honourable Mayor. The Mayors Secretary in co-operation with the Honourable Mayor arranges all Mayoral Functions and assists the Province and Zululand District Municipality where needed with function planning and co-ordination.

CUSTOMER SERVICES:

The uPhongolo Local Municipality strives to give excellent customer service and a complaint book is implemented at each reception area. Complaints received is discussed at the Management Committee and relevant HOD is instructed to attend and report back.

During 2007/2008 nine (9) complaints were received from the public mostly about customer service at the Licencing Office, all complaints were address and resolved with success.

POLICIES AND BY-LAWS:

The Council has reviewed most of its policies and is in the process of reviewing its By-Laws. The Council has also adopted a clear policy on the delegation of powers to different officials and ensured that each employee has a Job Description.

The following policies were revisited and aligned to legislation, after being amended it was submitted to Council for approval and implementation, namely:

- Appointment of Casual Temporary Personnel Policy
- Asset and Risk Management Policy
- Cellphone Policy
- Establishment of Ward Committees
- Pauper Burial Policy
- Peoples Participation Policy
- Cashiers Procedure Policy
- Promotions and Transfer Policy
- Study Assistance Policy
- Subsistence and Travelling Policy
- Subsistence abuse Policy
- Supply Chain Policy
- HR and Training Policy
- Induction Policy
- Sexual Harassment Policy
- Long Service Award Policy

The following By-Laws were implemented, namely:

- Pound By-Laws
- Town Planning By-Laws

EMPLOYMENT EQUITY PLAN AND SKILLS DEVELOPMENT PLAN/SKILLS TRAINING PLAN:

The Human Resource Department ensured that the Employment Equity Plan and the Skills Development Plan along with a detailed Skills Training Plan was submitted to the relevant authorities on time.

COMMITTEES:

The section is responsible for the following functions:

- All secretarial functions pertaining to all council Meetings and Workshops held with Councillors.
- The safekeeping of all minutes and agendas of Council in the registry.
- Placing of all tenders and quotations in the different media.
- Offer support in the Administrative functions in the institution.

Council has 10 Committees administered and managed by the Senior Administrative Officer and the Junior Committee Clerk. The administrative officials are further assisted by the secretaries of the various HOD's and a Typist Clerk in the Technical Department, who ensures that the layout and grammatical proofreading/Translations of items are done accurately.

Certain committees meet on a monthly basis except for the Community Services Committee Meeting, Tourism Committee, skills Development/Labour forum Committee Meeting which takes place every two months and Council Meetings take place once every quarter. Management Committee Meetings are held every two weeks.

MINUTES:

Minutes are properly documented and archived on a daily basis to avoid any legal and financial implication for council. Regular backups of minutes are done on a daily basis to ensure that information is stored. A copy of the Minutes is filed in a Minutes File and copies of the Executive and Council Minutes are forwarded to the Department of Local government once it is signed and approved by the Executive Committee and Council.

SWITCHBOARD/RECEPTION:

The switchboard under the management of the Senior Administrative Officer is fully functional and was upgraded during 2007 to accommodate the expansion of the Municipal Office Building. Premisell lines are fully functional and the telephone system is managed with the MAN 3000 software programme which enables Council to control and manage all telephone calls on a daily basis. Accounts are balanced and personal calls made by the staff are paid for via deductions from their salaries.

REGISTRY:

The Council has purchased the Colaborator Archives Programme for electronical Management of the registry. The Archives Plan has been drafted and was submitted to Province for approval and implementation.

This section is responsible for all postal and duplications functions in the organisation; which includes copying of Agendas, disposal and handling of correspondence of Council.

The section is currently facing a serious space problem and this will be addressed once Council starts with the building of a new archive which forms part of the second phase of the expansion of the Office Building.

New Photocopiers have been rented for all the departments and a big photocopier was installed in the archives which will be able to handle the bulk printing of all agendas.

**CHAPTER 3:
MEASURES TAKEN TO ENHANCE PERFORMANCE****QUALITY PROOFING OF SYSTEMS AND PROCEDURE:**

The quality management and improvement of quality business systems is done on a day-today basis. All managers in specialist areas must ensure that they comply and implement and use electronic techniques and equipment fully with the aim of developing the systems.

QUALITY SYSTEMS:

The key focus in our Municipality is to ensure that all our systems are updated from time to time to ensure they assist the municipality to deliver products and services in a more efficient way. Our strategic plans are outcome based, designed in such a way that we balance and measure quality proofing of systems in the manner that we report. All quality systems that we employ adhere to key quality proofing system which includes the following:

- Organisational Performance Management System
- Strategic Planning
- Risk Managing
- Integrated management Systems
- Improved report systems and Procedures
- Colaborator System
- LGNET Internal e-mail System
- Advance computer Network linking each desk with the main server.
- ADSL Line were installed

CHAPTER 4: CHALLENGES AND PRIORITIES

Challenges and priorities:

The following challenges and priorities face the Municipality:

1. The improvement of the electricity supply systems
2. Keeping the necessary infrastructure maintained and in a good condition

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3. Maintenance of rural access roads
4. To eradicate the high levels of unemployment by creating jobs through Local Economic Development.
5. The installation of services within new residential areas
6. Improving capacity level of staff/Councillors
7. Acquiring of appropriate skills (employment Practices)
8. Accessing funding.

CHAPTER 5: CONCLUSION

CONCLUSION

What we have witnessed this far is an account of service delivery at our Municipality.

Our Municipality has to date completed all capital projects within our financial capability. Moreover, we have sound administrative systems in place with clear mechanisms to foster participatory democracy. We would like to make use of this opportunity to express appreciation to community members, Councillors and officials who continue to ensure that we as uPhongolo Local Municipality excel to higher levels. We can proudly declare that we have indeed made a difference in the lives of our People, even though there is still a need to do much more.

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